

The following-named persons for appointment in the Regular Army of the United States, in the grade of second lieutenant, under the provisions of section 506 of the Officer Personnel Act of 1947 (Public Law 381, 80th Cong.):

Luis A. Becerra.
Charles D. Brohawn.
Charles R. Covell.
John P. McConnell.
Martin P. Moser, O959081.

The following-named person for appointment in the Army Nurse Corps, Regular Army of the United States, in the grade of second lieutenant, under the provisions of Public Law 36, Eightieth Congress:

Patricia I. Ward, N792135.

PROMOTIONS IN THE AIR FORCE

The following-named officers for promotion in the United States Air Force, under the provisions of sections 502 and 508 of the Officer Personnel Act of 1947. Those officers whose names are preceded by the symbol (*) are subject to examination required by law. All others have been examined and found qualified for promotion.

To be first lieutenants

Anselin, Frank Belmont, AO56689.
*Bjorgen, Leonard Leroy, AO50530.
Bryant, William Anthony, AO41356.
Davidson, Bernard Clark, AO50532.
Davis, William James, AO56692.
Ferguson, Charles Laird, AO56690.
Gagnon, John Arthur, Jr., AO50527.
Holtorf, Arthur Miles, AO56694.
Kimbrel, Joseph Bruce Keirce, AO50529.
Lamb, Charles Melford, Jr., AO38362.
*Marecarelli, John Alphonse, AO56688.
Meyers, Roy Lee, AO50526.
Nave, William Patrick, AO56691.
Neff, Benjamin Groff, AO56697.
Simmons, James Albert, AO56699.
Smith, Charles Ames, AO38528.
Smithson, Daryl Purdy, AO50528.
Stockton, Lyle Edward, AO50531.
Weigelt, Winfred Hamilton, AO56693.
Wortman, John Junior, AO56696.
NOTE.—The officers nominated for promotion to first lieutenant will complete the required 3 years' service for promotion during the month of March. Dates of rank for those officers will be determined by the Secretary of the Air Force.

HOUSE OF REPRESENTATIVES

MONDAY, FEBRUARY 21, 1949

The House met at 12 o'clock noon.

The Chaplain, Rev. James Shera Montgomery, D. D., offered the following prayer:

Father Almighty, let Thy holy silence sink deep into our hearts, that the truth we know may be the candle of the Lord. Hush all our complainings and discontent; let us rejoice and be glad that we have a part in the world's great work.

Renew the religion of Thy church everywhere; quicken its devotion and passion for the souls of men. O restrain the wayward, relieve the poor and oppressed, and be the toiler's friend. Let all who love the Lord stand for those virtues which build up the human spirit in truth, honor, fidelity, love, and obedience to God. In the name of our Saviour. Amen.

The Journal of the proceedings of Thursday, February 17, 1949, was read and approved.

MESSAGE FROM THE PRESIDENT

A message in writing from the President of the United States was communicated to the House by Mr. Miller, one of his secretaries.

MESSAGE FROM THE SENATE

A message from the Senate, by Mr. McDaniel, its enrolling clerk, announced that the Senate had passed, with an amendment in which the concurrence of the House is requested, a joint resolution of the House of the following title:

H. J. Res. 84. Joint resolution to provide for the acquisition and operation of the Freedom Train by the Archivist of the United States, and for other purposes.

The message also announced that the Senate agrees to the amendment of the House to a bill of the Senate of the following title:

S. 548. An act to provide for continuation of authority for the regulation of exports, and for other purposes.

EXTENSION OF REMARKS

Mr. VINSON asked and was granted permission to extend his remarks in the Appendix of the RECORD and include a statement by Charles R. Hook, chairman of the Advisory Commission on Service Pay.

Mr. BURTON asked and was granted permission to extend his remarks in the Appendix of the RECORD.

WEDNESDAY EVENING, FEBRUARY 23, ADDRESS BY PAUL HOFFMAN

Mr. NOLAND. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Indiana?

There was no objection.

Mr. NOLAND. Mr. Speaker, I wish to make an announcement to new Members of Congress of a special forum to be held Wednesday evening at 7:30 p. m., in the caucus room of the Old House Office Building.

Paul Hoffman, ECA Administrator, will discuss operational phases of the Marshall plan as it affects operations of businessmen of the United States.

This meeting is primarily for new Members of Congress and their secretaries, but is also open to any Member of Congress.

This program is conducted with the aid of American University, which is sponsoring a series of seminars for Washington businessmen on how to do business under the Marshall plan.

I believe that this meeting will be of special interest to most new Members because it will answer questions which constituents may be asking in the future about the operations of the ECA.

For these reasons it is believed that this meeting Wednesday night, with Paul Hoffman as speaker, will be of special interest.

Mr. RICH. Mr. Speaker, will the gentleman yield?

Mr. NOLAND. I yield.

Mr. RICH. Will he be able to tell the American people or the Members present that evening how we are going to get the money to finance this ERA?

Mr. NOLAND. I also wish to qualify this announcement by stating that it will not be a discussion of policy; it will only be a discussion of the operational phases of the plan, how it has worked and how it is contemplated it will work.

PERMISSION TO ADDRESS THE HOUSE

Mr. CROOK. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Indiana?

There was no objection.

[Mr. Crook addressed the House. His remarks appear in the Appendix.]

EXTENSION OF REMARKS

Mr. PRICE asked and was given permission to extend his remarks in the RECORD in three instances and in each to include extraneous matter.

Mr. CANNON asked and was given permission to extend his remarks in the RECORD and include an address by the Administrator of the Rural Electrification Administration given before the convention of National Rural Electric Cooperative Associations on February 1, 1949, and also to extend his remarks in the RECORD and include a letter addressed to himself by Mr. WHITAKER, of Kentucky, accompanied by a letter from the Governor of the State.

Mr. PATMAN asked and was given permission to extend his remarks in the RECORD on two subjects and to include certain statements and excerpts.

Mr. HEBERT asked and was given permission to extend his remarks in the RECORD in two instances and to include extraneous matter and a newspaper article.

Mr. DOYLE asked and was given permission to extend his remarks in the Appendix of the RECORD and to include certain appropriate material.

Mr. SHEPPARD asked and was given permission to extend his remarks in the RECORD and include an article from a Los Angeles newspaper outlining the water problems of southern California.

EMILIE C. READ

Mrs. NORTON. Mr. Speaker, by direction of the Committee on House Administration, I submit a privileged resolution (H. Res. 90) and ask for its immediate consideration.

The Clerk read as follows:

Resolved, That there shall be paid out of the contingent fund of the House of Emilie C. Read, widow of Burke F. Read, late an employee of the House of Representatives, an amount equal to 6 months' salary at the rate he was receiving at the time of his death and an additional amount not to exceed \$250 toward defraying the funeral expenses of said Burke F. Read.

With the following committee amendment:

Page 1, line 2, strike out "of" and insert "to."

Mr. MARTIN of Massachusetts. Mr. Speaker, is this the normal resolution of this character?

Mrs. NORTON. It is.

The committee amendment was agreed to.

The resolution was agreed to.

A motion to reconsider was laid on the table.

EXTENSION OF REMARKS

Mr. KARST asked and was given permission to extend his remarks in the RECORD and include an article from a St. Louis newspaper of January 9, 1949.

Mr. KLEIN (at the request of Mr. GORSKI of New York) was given permission to extend his remarks in the RECORD in two instances.

Mr. GORSKI of New York asked and was given permission to extend his remarks in the Appendix of the RECORD and include an article from the Evening Star.

Mr. EVINS asked and was given permission to extend his remarks in the RECORD in two instances and to include a speech and a short newspaper article.

Mr. POULSON asked and was given permission to extend his remarks in the RECORD and include a Lincoln Day speech.

Mr. RICH asked and was given permission to extend his remarks in the Appendix of the RECORD and include an editorial entitled "Dodging Taxes."

PERMISSION TO ADDRESS THE HOUSE

Mr. RICH. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

[Mr. RICH addressed the House. His remarks appear in the Appendix.]

EXTENSION OF REMARKS

Mr. SMITH of Wisconsin asked and was given permission to extend his remarks in the Appendix of the RECORD in two instances and include extraneous matter.

SURPLUS OIL

Mr. SMITH of Wisconsin. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Wisconsin?

There was no objection.

Mr. SMITH of Wisconsin. Mr. Speaker, this morning in the House Committee on Foreign Affairs we heard some sensational testimony to the effect that petroleum is no longer in world shortage. I quote from a witness:

Today the world is facing a surplus of oil which is reflected in the United States by rapidly increasing and unneeded imports of foreign oil.

If there is a surplus of oil in the country, why has not the price of oil come down? Why is not the price of gasoline coming down? The consuming public in the United States today is paying a high price for petroleum products. If there is a conspiracy between the oil companies to keep prices high the country should

know it. Every consumer of oil products, the man who heats his home, the man who uses it for power, and the man who drives an automobile is entitled to a reduction in the price of oil and gasoline. Here is a job for the Attorney General and Congress.

PERMISSION TO ADDRESS THE HOUSE

Mr. BURDICK. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from North Dakota?

There was no objection.

[Mr. BURDICK addressed the House. His remarks appear in the Appendix.]

EXTENSION OF REMARKS

Mr. ANGELL asked and was given permission to extend his remarks in the Appendix of the RECORD on two subjects and include in one an editorial and in the other an article.

Mr. ANDERSON of California asked and was given permission to extend his remarks in the RECORD and include an article.

Mr. LODGE asked and was given permission to extend his remarks in the RECORD in two instances and include extraneous material.

Mr. DONDERO asked and was given permission to extend his remarks in the RECORD and include a letter and an article.

Mrs. ST. GEORGE asked and was given permission to extend her remarks in the RECORD and include a short article from the Walden Citizen-Herald.

Mr. HALE asked and was given permission to extend his remarks in the RECORD and include an article by Joseph Alsop.

Mr. ELSTON asked and was given permission to extend his remarks in the RECORD and include an editorial from the Cincinnati Times-Star.

Mr. HOPE asked and was given permission to extend his remarks in the RECORD in two instances and include some editorial articles.

Mr. REED of New York asked and was given permission to extend his remarks in the RECORD in three instances and include in each extraneous matter.

Mr. REED of New York. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and include an address by Arthur A. Ballantine at the annual meeting of the New York State Bar Association on January 29, 1949, on the subject The Place of Psychology in Taxation. I am informed by the Printing Office that this will exceed two pages of the RECORD and will cost \$195.25, but I ask unanimous consent that it be printed notwithstanding that fact.

The SPEAKER. Without objection, notwithstanding the cost, the extension may be made.

There was no objection.

REPUBLICAN WHIP ORGANIZATION OF THE HOUSE

Mr. ARENDS. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and include in my remarks a short table.

The SPEAKER. Is there objection to the request of the gentleman from Illinois?

There was no objection.

Mr. ARENDS. Mr. Speaker, for the benefit and information of the Republican membership of the House, I am inserting with my remarks a table showing the organizational set-up of the Republican whip organization of the House:

Republican whip, LESLIE C. ARENDS, Illinois.

Deputy whip, RALPH A. GAMBLE, New York. Eastern regional whip, W. STERLING COLE, New York—Eight States, 47 Members: Maine (3), New Hampshire (2), Vermont (1), Connecticut (3), Delaware (1), A. N. SADLAK, Massachusetts (8), JOHN HESELTON, New York (20), W. STERLING COLE, New Jersey (9), CLIFFORD P. CASE.

East central regional whip, J. HARRY MCGREGOR, Ohio—Six States, 46 Members: Pennsylvania (17), LEON H. GAVIN, Michigan (12), JOHN B. BENNETT, Ohio (11), J. HARRY MCGREGOR, Maryland (2), Tennessee (2), Kentucky (2), J. GLENN BEALL, Maryland.

Midwest regional whip, LAWRENCE H. SMITH, Wisconsin—Eight States, 44 Members: Indiana (4), RALPH HARVEY, Illinois (14), C. W. BISHOP, Wisconsin (8), Minnesota (5), North Dakota (2), South Dakota (2), LAWRENCE H. SMITH, Wisconsin; Iowa (8), Missouri (1), BEN JENSEN, Iowa.

Western regional whip, A. M. COLE, Kansas—Nine States, 34 Members: Kansas (6), Colorado (1), Nebraska (3), A. M. COLE, Kansas; Washington (4), Oregon (4), Montana (1), Idaho (1), Wyoming (1), WALT NORBLAD, Oregon; California (13), GORDON L. McDONOUGH.

Membership, 171.

DISMANTLING OF PLANTS IN WESTERN ZONE OF GERMANY

Mrs. ST. GEORGE. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentlewoman from New York?

There was no objection.

Mrs. ST. GEORGE. Mr. Speaker, the Krupp war plant in Essen, in the British zone of western Germany, is still in the process of being dismantled and shipped to Soviet Russia.

It is comical, if it were not tragic, to see the American taxpayers planning to spend \$5,000,000,000 to rearm western Europe, while our allies are diligently dismantling and shipping the biggest steel plant in that section to Russia.

I suppose someone will say that this is merely carrying out the Potsdam agreement.

According to that infamous treaty, Russia was to receive 25 percent of the dismantled plants in the western zone, but, and here is the real answer, she was to pay for 60 percent of what she received in goods and food from the eastern zone. To date she has only paid for 7 percent of what she has received.

Mr. Speaker, how long is this tragic comedy of errors to continue? When is the Congress going to prevent the spending of billions to defeat communism with one hand, while shipping the sinews of war to Russia with the other?

HOME BUILDERS

Mr. JAVITS. Mr. Speaker, I ask unanimous consent to address the House

for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. JAVITS. Mr. Speaker, the National Association of Home Builders is meeting today in Chicago. I know of no segment of the American private economy which holds a greater responsibility for the success and for the future of our economic system than do the builders. Housing remains America's No. 1 domestic problem. Last year we built less—not more—homes than in 1947. This year the forecasts are that private construction will be even lower.

While we drive for a balanced housing bill to help not only the lowest but also the middle-income groups, we know that it will be in the last analysis still in the hands of the builders to build the 16,000,000 homes America needs in the next decade. The home builders' main attack must be on costs. I urge that they consider at their convention a concerted drive for the mass production of housing as automobiles are produced—there are too few big units in housing—for the greatly expanded use of mass-production methods of prefabrication and assembly, and finally for a smashing attack on the 3,000 antiquated municipal building codes which have the people and the builders tied down like Gulliver.

PERMISSION TO ADDRESS THE HOUSE

Mr. CASE of South Dakota. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from South Dakota?

There was no objection.

[Mr. CASE of South Dakota addressed the House. His remarks appear in the Appendix.]

ECONOMIC STATE OF THE NATION

Mr. GROSS. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Iowa?

There was no objection.

Mr. GROSS. Mr. Speaker, I am sure many Members of Congress were not only disturbed but amazed by some of the statements made last Saturday by President Truman's experts who are charged with keeping Congress and the people informed of the economic state of this Nation.

I refer especially to the statement of Dr. Edwin G. Nourse, Chairman of the President's Council of Economic Advisers, who, upon leaving the White House Saturday, told news reporters that this country is going through a period of "healthy disinflation."

What kind of new double talk is this? Is it "healthy disinflation" when farmers sustain a loss of approximately \$3,500,000,000 in gross income and this, translated into other terms, means a loss of approximately \$25,000,000,000 in national income and a loss of \$5,000,000,000 in

Federal revenue unless these prices recover?

Prices of some farm commodities started to skid last October. Yet in the 4 to 5 months since that time has there been the slightest drop in the price of tractors, combines, overalls, and the multiplicity of products which farmers must buy? Is that what Dr. Nourse means by "healthy disinflation"?

Members of this House will soon be called upon to increase the salary of Dr. Nourse from a present \$15,000 a year to an administration asking of \$22,500 annually, a jump of \$7,500 a year. I say to you that if we are going to pay Government economists any part of \$22,500 a year we should employ men who talk understandable English; who know there can be no such thing as a "healthy" depression in this country.

EXTENSION OF REMARKS*

Mr. HARVEY asked and was given permission to extend his remarks in the RECORD and include a newspaper article.

Mr. BOGGS of Delaware asked and was given permission to extend his remarks in the RECORD in two instances and include extraneous material.

Mr. DAVIS of Wisconsin asked and was given permission to extend his remarks in the RECORD in two instances and to include an editorial and a letter.

Mr. DAVIS of Georgia asked and was given permission to extend his remarks in the RECORD and include a newspaper article.

YUGOSLAVIA

Mr. ROONEY. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. ROONEY. Mr. Speaker, I have today introduced the following resolution, the purpose of which is to seek immediate withdrawal of diplomatic recognition of the Government of Yugoslavia by the United States until such time as that Government, by releasing from imprisonment Archbishop Aloysius Stepinatz, and by demonstrating that their policies and conduct, with respect to the rights of individuals to life, liberty, and freedom of religious and political beliefs are such as to justify resumption of normal relations between the Government of the United States and the Government of Yugoslavia:

Whereas the existing Government of Yugoslavia has pursued policies which violate the fundamental rights of the individual to life, liberty, and freedom of religious and political beliefs; and

Whereas the arrest, trial, and imprisonment of Archbishop Aloysius Stepinatz, eminent Roman Catholic primate of Yugoslavia, is symbolic of the disregard of the existing Government of Yugoslavia of principles of justice and honor; and

Whereas the continuance by the existing Government of Yugoslavia of policies of oppression and terror make impossible the attainment of the friendship and understanding among the nations of the world so vital to the establishment of a lasting peace: Now, therefore, be it

Resolved by the House of Representatives (the Senate concurring), That it is the sense

of the Congress that the President should withdraw forthwith diplomatic recognition of the Government of Yugoslavia by the United States until such time as the Government of Yugoslavia, by releasing from imprisonment the eminent Roman Catholic primate, Archbishop Aloysius Stepinatz, and by other appropriate action, demonstrates that the policies and conduct of such government, with respect to the rights of the individual to life, liberty, and freedom of religious and political beliefs, are such as to justify the resumption of relations between the Government of the United States and the Government of Yugoslavia.

(Mr. ROONEY asked and was given permission to revise and extend his remarks and include the text of the resolution.)

EXTENSION OF REMARKS

Mr. ENGLE of California asked and was given permission to extend his remarks in the RECORD and include a letter.

Mr. GREEN asked and was given permission to extend his remarks in the RECORD and include a newspaper article.

Mr. THOMAS of Texas asked and was given permission to extend his remarks in the RECORD and include an Associated Press article showing the comparative strength of Russia and the United States in manpower, oil and other critical materials.

PERMISSION TO ADDRESS THE HOUSE

Mr. SABATH. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Illinois [Mr. SABATH]?

There was no objection.

[Mr. SABATH addressed the House. His remarks appear in the Appendix.]

RANKIN PENSION BILL

Mr. COX. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Georgia?

There was no objection.

Mr. COX. Mr. Speaker, I notice that newspaper commentators are beginning to speculate upon the possibility of the Committee on Rules being used to stop the Rankin pension bill. On this point I would like to say that at the beginning of this Congress the Rules Committee was stripped of the power to hold bills indefinitely. While I opposed the change in the Rules of the House, and I might say I get no pleasure out of the embarrassment that that change has so soon brought to its sponsors, still as a member of the Committee on Rules I shall oppose resorting to any scheme that would defeat this new rule under which the committee operates. I shall favor the reporting of the bill under an open rule in order that all Members may have the opportunity to publicly record their views upon it.

The SPEAKER. The time of the gentleman from Georgia has expired.

EXTENSION OF REMARKS

Mr. O'HARA of Minnesota asked and was given permission to extend his remarks in the RECORD and include an editorial.

Mr. MARTIN of Massachusetts asked and was given permission to extend his remarks in the RECORD and include a resolution adopted by the executive council in Fall River.

Mr. BECKWORTH asked and was given permission to extend his remarks in the RECORD and include a letter from Charles D. Mahaffie, Chairman of the Interstate Commerce Commission.

Mr. LARCADE asked and was given permission to extend his remarks in the RECORD and include a newspaper article.

THE RANKIN PLAN—PENSION BILL

Mr. RANKIN. Mr. Speaker, I ask unanimous consent to address the House for 1 minute, and revise and extend my remarks and include some newspaper clippings.

The SPEAKER. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

Mr. RANKIN. Mr. Speaker, the Washington Post, whose owner got rich out of the last war, and out of the depression which he helped bring on during the Hoover administration, calls the veterans' pension bill now before the House the Rankin plan.

So I presume that from now on you will hear a good deal about the Rankin plan versus the Bevin plan, which some of you call the Marshall plan.

This Rankin plan would take care of our old veterans when they get too old to work. Of all the misinformation I ever heard spread, it is by those radio commentators, Hans Kaltenborn and Drew Pearson, about this bill.

This measure has been reduced to the irreducible minimum. If the House and Senate do not like it as it is, they have the right to amend it to provide a needs clause, or reduce the amounts paid.

But if we can pour billions of dollars into the sinkholes of Europe and Asia, Africa and Israel every year, we can certainly take care of our old veterans, who fought the Nation's battles in times of war and who now sustain its institutions in time of peace, when they get beyond the age of their earning capacity. That is exactly what this bill does.

The SPEAKER. The time of the gentleman from Mississippi has expired.

THE MARSHALL PLAN AND COMMUNISM

Mr. HAYS of Ohio. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is the objection to the request of the gentleman from Ohio?

There was no objection.

Mr. HAYS of Ohio. Mr. Speaker, it is with great interest that I notice the gentleman from Mississippi from time to time come down in the well of the House and talk about communism; then from time to time come down and berate the Marshall plan. I had the occasion recently, at my own expense, to make a personal survey in eight countries of Europe of what the Marshall plan was doing for Europe, and I can say to the gentleman from Mississippi and the Members of the House that the Marshall plan has stopped communism in its tracks in Europe; and that it is the one thing that

has saved Italy, France, and the rest of the democratic nations from going Communist. If the gentleman from Mississippi is sincere and really believes that communism should be stopped, then he has no alternative but to be a supporter of the Marshall plan.

Mr. RANKIN. Mr. Speaker, will the gentleman yield?

Mr. HAYS of Ohio. I yield.

Mr. RANKIN. You have not stopped communism in this country. When we exposed a Communist spy ring in the State Department it was called a red herring.

Mr. HAYS of Ohio. I voted to give the Committee on the Un-American Activities \$200,000 for that purpose.

Mr. RANKIN. All right; help us now take care of the disabled veterans.

Mr. HAYS of Ohio. Nothing I have said could be twisted by anyone to mean that I would not vote to help the disabled veterans. I was merely pointing out how very inconsistent it is to be against both communism and the Marshall plan, which has given communism its worst set-back in a decade.

The SPEAKER. The time of the gentleman from Ohio has expired.

MESSAGE FROM THE PRESIDENT OF THE UNITED STATES—COOPERATION WITH INSTITUTE OF INTER-AMERICAN AFFAIRS

The SPEAKER laid before the House the following message from the President of the United States, which was read, and together with the accompanying papers, referred to the Committee on Foreign Affairs:

To the Congress of the United States:

I commend to the favorable consideration of the Congress the enclosed letter from the Under Secretary of State and the accompanying draft legislation to make possible the continuation and expansion of the cooperative programs in public health, sanitation, education, and agriculture that this Government is carrying on, through the Institute of Inter-American Affairs, in partnership with the governments of other American republics.

The conditions of modern life are drawing the American Republics together in an increasingly close community of neighbors. It is a basic and enduring purpose of the foreign policy of the United States to play the part of the good neighbor in that community.

The United States and the other American Republics have repeatedly proclaimed their common purpose to promote by cooperative action their economic, social, and cultural development, and to work with one another to achieve just and decent living conditions for all their peoples. The United States has given tangible proof of its desire to cooperate in the realization of these aims by assisting its neighbor republics in the development of their basic economics. Our relations have constituted friendly, constructive, and effective partnerships which it is our aim to extend and strengthen.

Since the early part of 1942, this Government has, through the Institute of Inter-American Affairs and its predeces-

sor agencies, entered into bilateral arrangements with the governments of other American Republics under which we have worked with them on programs in public health, sanitation, agriculture, education, and related fields—programs designed to promote the development of the basic economics of the cooperating republics. The present Institute of Inter-American Affairs was chartered by the Congress as a wholly owned Government corporation in an act approved on August 5, 1947, and authorized to continue this cooperative program through the end of the fiscal year 1950. Its exceptional success in realizing this Government's objectives in an increasingly effective manner leads to the conclusion that we should continue it, as a vital instrument of our long-range policy, beyond that limited period. These are programs that, over the years, have been tried, tested, and found good. I therefore request that the Congress authorize a continuation of these programs on a scale that will enable us, more effectively, to help our neighbors help themselves.

I stated recently that we must embark on a program for making the benefits of our scientific advances and industrial progress available for the improvement and growth of underdeveloped areas. Within the Western Hemisphere we have already built firm foundations for this program, and have already begun to demonstrate the benefits that can flow from such a program. The continuing growth of solidarity, friendship, and close cooperation among the republics of the Western Hemisphere benefits us as well as our neighbors. Each of the American Republics, the United States included, is helped in its own progress by the improvement of economic, social, and cultural conditions in the others. By continuing this international cooperation for raising the standard of living of all the peoples in the Americas, the United States can give further, practical form to the high purposes of our policy.

HARRY S. TRUMAN.

THE WHITE HOUSE, February 21, 1949.

(Enclosures: 1. Letter from Under Secretary of State. 2. Draft legislation.)

EXTENSION OF REMARKS

Mr. McCORMACK asked and was granted permission to extend his remarks in the Appendix of the Record and include a statement.

THE CONSENT CALENDAR

The SPEAKER. This is Consent Calendar day. The Clerk will call the first bill on the calendar.

ALEXANDRIA, VA., COMMEMORATIVE STAMP

The Clerk called the bill (H. R. 1432) to amend the act approved June 29, 1948, entitled "An act to authorize the issuance of a stamp commemorative of the two hundredth anniversary of the founding of the city of Alexandria, Va."

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the act approved June 29, 1948, entitled "An act to authorize the issuance of a stamp commemorative of the two hundredth anniversary of the

founding of the city of Alexandria, Va.," be amended to read as follows:

"That the Postmaster General is authorized and directed to issue, during 1949, a special 6-cent air-mail postage stamp, of such design as he shall prescribe, in commemoration of the two hundredth anniversary of the founding of the city of Alexandria, Va."

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

Mr. DEANE. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (S. 492) to amend the act approved June 29, 1948, entitled "An act to authorize the issuance of a stamp commemorative of the two hundredth anniversary of the founding of the city of Alexandria, Va.," an identical bill, strike out all after the enacting clause, and insert in lieu thereof the provisions of H. R. 1432.

The Clerk read the title of the Senate bill.

The SPEAKER. Is there objection to the request of the gentleman from North Carolina?

There being no objection, the Clerk read the Senate bill, as follows:

Be it enacted, etc., That the act approved June 29, 1948, entitled "An act to authorize the issuance of a stamp commemorative of the two hundredth anniversary of the founding of the city of Alexandria, Va.," be amended to read as follows:

"That the Postmaster General is authorized and directed to issue, during 1949, a special 6-cent air-mail postage stamp, of such design as he shall prescribe, in commemoration of the two hundredth anniversary of the founding of the city of Alexandria, Va."

Mr. DEANE. Mr. Speaker, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. DEANE: Strike out all after the enacting clause and insert in lieu thereof the following:

"That the act approved June 29, 1948, entitled 'An act to authorize the issuance of a stamp commemorative of the two hundredth anniversary of the founding of the city of Alexandria, Va.,' be amended to read as follows:

"That the Postmaster General is authorized and directed to issue, during 1949, a special 6-cent air-mail postage stamp, of such design as he shall prescribe, in commemoration of the two hundredth anniversary of the founding of the city of Alexandria, Va."

The amendment was agreed to.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

The proceedings whereby the bill (H. R. 1432) was passed were vacated and that bill was laid on the table.

CHURNTOWN ELEMENTARY SCHOOL DISTRICT, CALIFORNIA

The Clerk called the bill (H. R. 164) authorizing the Secretary of the Interior to convey certain lands to the Churntown Elementary School District, California.

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. RICH. Mr. Speaker, reserving the right to object, I wish the gentleman

would state what these are and whether the lands are of any value and what remuneration we are receiving for them.

Mr. PETERSON. Mr. Speaker, this bill was introduced by my colleague the gentleman from California [Mr. ENGLE], but I am familiar with the bill because I reported it.

This is a portion of an area originally reserved for the Reclamation Service but not actually needed now by the Reclamation Service. It should have some degree of protection, however.

There is involved 10.11 acres. It is to be sold at the appraised value and to be used only for school purposes. All mineral rights in the land are reserved to the Federal Government. There is a further provision in the bill that if the land is not used for school purposes it reverts to the United States.

Mr. RICH. Mr. Speaker, I withdraw my objection.

The SPEAKER. Is there objection to the present consideration of the bill?

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Interior is hereby authorized to convey to the Churntown elementary school district, California, for such consideration as he may fix in accordance with its present valuation, all right, title, and interest of the United States in and to a parcel of land in the north half of section 26, township 33 north, range 5 west, Mount Diablo base and meridian, Shasta County, Calif., containing an area of ten and eleven one-hundredths acres, more or less, and described as follows:

Beginning at a point in the westerly boundary of the northwest quarter of the northeast quarter of said section 26, distant therealong south no degrees three minutes forty seconds west six hundred and ninety-four and twenty-four one-hundredths feet from the north quarter corner of said section 26; thence north eighty-nine degrees thirty-six minutes no seconds east four hundred and sixty-seven and sixteen one-hundredths feet; thence south no degrees three minutes forty seconds west eight hundred and thirty feet to a point in the northerly boundary of State Highway 209; thence along said northerly boundary and along the arc of a curve to the right with a radius of one thousand nine hundred and seventy feet (the long chord bears north seventy-six degrees thirty-seven minutes fourteen seconds west eighty-six and seventy-nine one-hundredths feet) for a distance of eighty-six and eighty one-hundredths feet; thence continuing along said northerly boundary north seventy-five degrees twenty-one minutes thirty seconds west three hundred and ninety-five and forty-six one-hundredths feet; thence leaving said northerly boundary north no degrees five minutes thirteen seconds east ninety-eight and ninety-six one-hundredths feet the southwest corner of the northwest quarter of the northeast quarter of said section 26; thence south eighty-nine degrees thirty-six minutes no seconds west one hundred and fifty-five and twenty-two one-hundredths feet to a point in the easterly boundary of State Highway 209; thence along said easterly boundary and along the arc of a curve to the right with a radius of one thousand one hundred and sixteen and twenty-eight one-hundredths feet (the long chord bears north two degrees thirty-eight minutes fifty-three seconds east eighty and seventy-five one-hundredths feet) for a distance of eighty and seventy-seven one-hundredths feet; thence continuing along said easterly boundary north four degrees forty-three minutes fifteen seconds east five hundred and

twenty-nine and nineteen one-hundredths feet; thence leaving said easterly boundary north eighty-nine degrees thirty-six minutes no seconds east one hundred and eight and fifty-eight one-hundredths feet to the point of beginning.

There shall be reserved to the United States in the conveyance of the land described all oil, gas, coal, and other mineral deposits in the land, including all materials determined pursuant to section 5 (b) (1) of the Atomic Energy Act of 1946 (60 Stat. 761), to be peculiarly essential to the production of fissionable material, together with the right to prospect for, mine, and remove the same.

Sec. 2. The land conveyed pursuant to the provisions of this act shall be used only for public-school purposes, and the conveyance herein authorized shall be made upon the express condition that if the land is abandoned for such use for a period of 2 years or more or if the land shall be used for other purposes, the conveyance shall be held to be forfeited and the title shall revert to the United States. The Secretary of the Interior is hereby authorized to determine the facts and declare such forfeiture and reversion and such determination and declaration shall be final and conclusive.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

MOUNT HOPE CEMETERY ASSOCIATION, OF WATERLOO, MICH.

The Clerk called the bill (H. R. 1401) relating to the disposition of certain recreational demonstration project lands by the State of Michigan to the Mount Hope Cemetery Association, of Waterloo, Mich.

There being no objection the Clerk read the bill, as follows:

Be it enacted, etc., That notwithstanding section 3 of the act entitled "An act to authorize the disposition of recreational demonstration projects, and for other purposes," approved June 6, 1942 (56 Stat. 326; 16 U. S. C. sec. 459t), the State of Michigan is hereby authorized to convey the following-described lands in Jackson County, Mich., to the Mount Hope Cemetery Association, of Waterloo, Mich.: Block 44, village of Waterloo, section 36, township 1 south, range 2 east, of the Michigan meridian. Any conditions providing for a reversion of title to the United States that may be contained in the conveyance of such lands by the United States to the State of Michigan are hereby released.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

PINELLAS COUNTY, FLA.

The Clerk called the bill (H. R. 1998) to amend the act entitled "An act to provide for the conveyance to Pinellas County, State of Florida, of certain public lands herein described," approved June 17, 1948 (Public Law 666, 80th Cong.), for the purpose of correcting a land description therein.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That that portion of the first section of the act entitled "An act to provide for the conveyance to Pinellas County, State of Florida, of certain public lands herein described," approved June 17, 1948 (Public Law 666, 80th Cong.), which describes the lands conveyed by the United States to Pinellas County, Fla., is amended to read as follows: "Lot 1 of section 1, township 33 south, range 15 east; lots 1, 2, 3, and

4 of section 5; lots 1 and 2 of section 6; lots 1, 2, and 3 of section 7; lots 1, 2, 3, and 4 of section 8; lots 1 and 2 of section 9; lot 1 of section 17; and lots 1, 2, 3, 4, and 5 of section 18 in township 33 south, range 16 east, together with accretion thereto."

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider laid on the table.

AUTHORIZING SURVEY OF A PROPOSED MISSISSIPPI RIVER PARKWAY

The Clerk called the bill (H. R. 1997) to authorize the survey of a proposed Mississippi River Parkway for the purpose of determining the feasibility of such a national parkway, and for other purposes.

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. MCGREGOR. Mr. Speaker, reserving the right to object, I wonder if the author of the bill will tell us what this survey will incorporate, who is to do it, and how much it will cost.

Mr. PETERSON. Mr. Speaker, the purpose of this is to authorize a survey of a Mississippi River parkway. The bill was introduced at the request of a number of Members on both sides of the House. Several years ago there was a bill favorably reported actually authorizing the parkway, but the members of the Public Lands Committee and the Department thought we were getting the cart before the horse and that there should not be a parkway until the survey was made.

Mr. Speaker, this bill is only to authorize a survey and coordinate the activities of the Public Roads Administration, the National Park Service, and to cooperate with the State authorities. The survey only is authorized. They must report back to the Congress before the project is started. There has been in the past an overlap of effort of Government departments. This is for an authorization not to exceed \$250,000.

Mr. MCGREGOR. Will this \$250,000 come out of the funds allocated for highways or will it come out of some public land funds?

Mr. PETERSON. They will have to make their justification and get their special appropriation. Oftentimes there are paralleling highways and there are little offshoots and many times in the past there has not been sufficient coordination between the various agencies of the Government. It is hoped that as they plan this, and I refer to the various State authorities and the Federal roads system, this will go along near the river or near historic sites. In the past it has been rather haphazard. It is felt that this survey will finally save money from the various departments.

Mr. MCGREGOR. Do I understand the gentleman to say that an authorization is carried in this particular piece of legislation that would authorize the Public Roads Administration to spend \$250,000 for a survey?

Mr. PETERSON. The National Park Service, the Federal Works Agency through the Public Roads Administration to enable them to coordinate their efforts. The road is being built now in many instances and recreational areas

are being developed, some by the State, some by the road department and in some instances by the National Park Service. But there has been no coordinated plan. The hope of those who live along the Mississippi River is that by having all groups work together they can formulate a plan by which the roads may be near historic spots and go to a point where they can actually see the river. It does not contemplate any more building than would otherwise eventually be done but a coordination of the plans that might otherwise be haphazard.

It is not to exceed \$250,000 and they still must make their justification and get the appropriation from the Appropriations Committee.

Mr. MCGREGOR. If I understand the gentleman correctly, they can spend \$250,000 if they deem it necessary.

Mr. PETERSON. Not unless they make a justification before the Appropriations Committee and the Appropriations Committee actually gives them this amount.

Mr. MCGREGOR. Mr. Speaker, in all fairness to my distinguished friend from Florida, I realize this means an expenditure of \$250,000 of road funds for surveys alone—therefore I ask unanimous consent that this bill be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from Ohio?

There was no objection.

CITY OF EL PASO, TEX.

The Clerk called the bill (H. R. 967) for the relief of the city of El Paso, Tex.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to the city of El Paso, Tex., the sum of \$3,293.95. Such sum represents the amount of a judgment (plus interest and costs) rendered against the city of El Paso, in the case of Francisco Mendoza et al. against City of El Paso, Forty-first District Court, El Paso County, No. 53430, for damages on account of the death on June 9, 1943, of Lionides Rodolfo Mendoza, as a result of falling from a temporary walk on the Park Street Bridge over the Franklin Canal. Such canal and the bridges thereover are owned by the United States, and such temporary walk was constructed and was being maintained by the Bureau of Reclamation in connection with repair work which the United States was performing on such bridge, and not by the city of El Paso.

With the following committee amendment:

Page 2, after line 7, change the period to a colon, and add the following: "Provided, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding \$1,000."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

CITY AND COUNTY OF SAN FRANCISCO

The Clerk called the bill (H. R. 1509) for the relief of the city and county of San Francisco.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to the city and county of San Francisco, a municipal corporation, of San Francisco, Calif., the sum of \$9,728.81, in full settlement of all claims against the United States for reimbursement of expenses incurred in rebuilding and restoring a power transmission line and loss of power revenue in township 3 south, range 5 east, and township 3 south, range 6 east, San Joaquin County, Calif., south of Tracy and approximately 3 miles from the Navy Vernalis Airfield, which transmission line was demolished by the crashing of a United States Navy plane, type SB 2 C-3, Bureau No. 18772, on August 6, 1944, at 9:21 p. m., while the said plane was engaged in making a flight over the area indicated, and on August 30, 1944, at 1:14 a. m., by the crashing of a United States Navy plane, type TBM-1, Bureau No. 24994, while the said plane was likewise making a flight over the area indicated: *Provided,* That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or agents, attorney or attorneys, on account of services rendered in connection with such claim. It shall be unlawful for any agent or agents, attorney or attorneys, to exact, collect, withhold, or receive any sum of the amount appropriated in this act in excess of 10 percent thereof on account of services rendered in connection with such claim, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding \$1,000.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

COUNTY OF ALLEGHENY, PA.

The Clerk called the bill (H. R. 1959) for the relief of the county of Allegheny, Pa.

Mr. BYRNES of Wisconsin. Mr. Speaker, I ask unanimous consent that this bill be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from Wisconsin?

Mr. EBERHARTER. Mr. Speaker, reserving the right to object, may I say that this bill has been unanimously reported by the Committee on the Judiciary. And the only reason this bill did not pass the other body last year is because it did not have the time to consider the matter. I am wondering if the gentleman has any real objection to the bill, because it seems to me there is no objection on the part of the War Department. I have studied the claim very carefully; it seems to be a just claim, and I wonder if the gentleman from Wisconsin will withdraw his request.

The SPEAKER. Is there objection to the request of the gentleman from Wisconsin?

There was no objection.

The SPEAKER. This appears to be the last eligible bill on the Consent Calendar today.

PENSIONS FOR VETERANS

Mr. RANKIN. Mr. Speaker, I move to suspend the rules and pass the bill (H. R. 2681) to provide pensions for veterans of World War I and World War II based on non-service-connected disability and attained age, and for other purposes.

The SPEAKER. The Chair does not recognize the gentleman for that purpose.

GENERAL ACCOUNTING OFFICE

Mr. WHITTINGTON. Mr. Speaker, I move to suspend the rules and pass the bill (S. 713) to amend Public Law 533 of the Eightieth Congress authorizing the construction of a building for the General Accounting Office on square 518 in the District of Columbia. I may say that this bill is identical with the House bill, H. R. 2626, on which the Speaker agreed to recognize me for a suspension.

The Clerk read the bill, as follows:

Be it enacted, etc., That the provisions of Public Law 533, Eightieth Congress, approved May 18, 1948, limiting the cost of the General Accounting Office Building to \$22,850,000 be, and the same are hereby, amended to increase such limit of cost to \$25,400,000.

The SPEAKER. Is a second demanded?

Mr. DONDERO. Mr. Speaker, I demand a second.

Mr. WHITTINGTON. Mr. Speaker, I ask unanimous consent that a second be considered as ordered.

The SPEAKER. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

Mr. WHITTINGTON. Mr. Speaker, the bill under consideration increases the authorization for the construction of a building for the General Accounting Office that was authorized by Congress on May 18, 1948, by \$2,550,000. The bill passed the Senate unanimously. An identical bill (H. R. 2626) was introduced in the House, considered by the Committee on Public Works, and unanimously reported to the House.

I may say that at the hearings before the House Committee on Public Works it developed that the Federal Works Agency had advertised for bids and that the bids for the building and the escalators and elevators aggregated \$22,956,999, the limit of cost as authorized by Congress being \$22,850,000, Public Law 533, Eightieth Congress.

General Fleming, Mr. Reynolds, and other representing the Federal Works Agency testified that the bids were quite favorable to the Government, and that it would take an additional \$2,550,000 to provide for the construction of the stairways and other necessary items to complete the building. So, in a word, this bill, unanimously reported by the committee, is to increase the existing authorization by \$2,550,000. The authorization bill was passed on May 18, 1948. As stated, the limit was \$22,850,000. The authorization stipulated that the funds that had been previously appropriated under the deficiency act of October 9, 1940, would be available, and the authorization act, further stipulated that no contract should be made, until appropriations were made or until contract authorizations had been provided therefor.

On June 25, 1948, in the deficiency bill of that date, the Congress authorized contracts to be made, and the authorization further stipulated that the funds that had been appropriated under the Deficiency Act of October 9, 1940, which amounted to approximately \$5,041,680 as of May 18, 1946, should be available for the construction of this building. So the fact is that there has been previously appropriated \$5,041,680, and contracts authorized to make the total amount \$22,850,000.

With the statement of the Federal Works Agency that the bids received are favorable to the Government, this bill is unanimously recommended by the Committee on Public Works.

Before contracts can be let under the bids received, as I have stated, it is necessary for the amount of the authorization to be increased so that the building with stairways and other necessary items may be completed, and so that the bids regarded by the Federal Works Agency desirable by the Government may be promptly accepted. The Federal Works Agency would not have the power to accept the bids unless the authorization is increased so that it may be sufficient to complete the building. Mr. Reynolds, of the Federal Works Agency, stated that if the pending bill passed, the authorization would be sufficient for completing the building without asking the Congress for a further increase in the amount to be expended.

A General Accounting building was authorized with a limit of \$9,850,000 in the Deficiency Act of October 9, 1940, in lieu of the remodeling of the Pension Building authorized by the Deficiency Act approved August 12, 1935, with the stipulation that the amount of the appropriation unexpended would be available for constructing the new building. The building was begun and much work on the foundation was done, but work was discontinued on account of World War II, and the inability to obtain materials.

The need for the building has long been recognized but Congress delayed authorizing construction until the costs of both labor and materials became rather stable. After careful hearings in view of the undisputed needs by Public Law 533, Eightieth Congress, the building was authorized within a limit of \$22,850,000, of which the unexpended and unobligated appropriations under the Deficiency Act of October 9, 1940, were a part, and they amounted as stated to \$5,041,680. The authorizations with a total limit including the said unexpended amount stated that no funds would be appropriated for expenditure during any fiscal year prior to 1950 or until contract authorizations by Congress are provided for. In the Deficiency Act of June 25, 1948, Congress provided for contract obligations, up to the limit of authorization in the sum of \$22,850,000 including the unobligated balance of May 18, 1948, amounting to \$5,041,680. The Federal Works Agency urges that the pending bill be promptly passed so that the bids that are favorable to the Government may be accepted. The Director of the Bureau of the Budget recommends favorable consideration.

Mr. DONDERO. Mr. Speaker, I yield myself 3 minutes.

Mr. Speaker, I confirm everything the distinguished gentleman from Mississippi [Mr. WHITTINGTON], the chairman of our committee, has said in regard to this building. The necessity for it was determined in the Eightieth Congress. For the benefit of those who were not here then, permit me to say that the General Accounting Office is housed in 21 different buildings here in Washington, some of them 4 or 5 miles apart. From that you will get some idea of the difficulty under which the General Accounting Office operates. That was the testimony of our former colleague, Hon. Lindsay Warren, the Comptroller General of the United States. The amount which has been stated in this bill, to increase the amount of authorization is exactly as testified to before our committee recently. I confirm everything the gentleman from Mississippi has said, and I hope the bill will pass unanimously.

Mr. MCGREGOR. Mr. Speaker, will the gentleman yield?

Mr. DONDERO. I yield to the gentleman from Ohio.

Mr. MCGREGOR. I concur in the statements by our distinguished chairman and the ranking minority member. I call to your attention the fact that this is one project for which contracts will be let, and it will not be on a cost-plus basis. Bids have been received. There were a number of bids. The bidder who will get the contract if this authorization goes through was approximately \$800,000 under the next bidder, and there was a variation of approximately \$5,000,000 between the low bidder and the high bidder. For that reason, I am in complete accord, and hope this legislation will be immediately passed.

The SPEAKER. The question is on suspending the rules and passing the bill.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the bill was passed.

A similar House bill (H. R. 2626) was laid on the table.

CLARIFYING OVERTIME COMPENSATION PROVISIONS OF FAIR LABOR STANDARDS ACT

Mr. LESINSKI. Mr. Speaker, I move to suspend the rules and pass the bill (H. R. 858) to clarify the overtime compensation provisions of the Fair Labor Standards Act of 1938, as amended, as applied in the stevedoring and building-construction industries and for other purposes, as amended.

The Clerk read as follows:

Be it enacted, etc., That section 7 of the Fair Labor Standards Act of 1938, as amended, is amended by adding at the end thereof a new subsection (e), to read as follows:

"(e) For the purpose of computing overtime compensation payable under this section to an employee employed in the longshore, stevedoring, building and construction industries—

"(1) who is paid for work on Saturdays, Sundays, or holidays, or on the sixth or seventh day of the workweek, at a premium rate not less than one and one-half times the rate established in good faith for like

work performed in nonovertime hours on other days, or

"(2) who, in pursuance of an applicable employment contract or collective-bargaining agreement, is paid for work outside of the hours established in good faith by the contract or agreement as the basic, normal, or regular workday (not exceeding 8 hours) or workweek (not exceeding 40 hours), at a premium rate not less than one and one-half times the rate established in good faith by the contract or agreement for like work performed during such workday or workweek, the extra compensation provided by such premium rate shall not be deemed part of the regular rate at which the employee is employed and may be credited toward any premium compensation due him under this section for overtime work."

The SPEAKER. Is a second demanded?

Mr. McCONNELL. Mr. Speaker, I demand a second.

Mr. MARCANTONIO. Mr. Speaker, a parliamentary inquiry.

The SPEAKER. The gentleman will state it.

Mr. MARCANTONIO. Mr. Speaker, is it not the rule of the House that in order for a Member to demand a second he must qualify by being opposed to the bill?

The SPEAKER. If there is opposition to the bill, a Member who is opposed to it may claim the right to demand a second.

Mr. MARCANTONIO. Mr. Speaker, I am opposed to this bill and I demand a second.

The SPEAKER. Is the gentleman from Pennsylvania [Mr. McCONNELL] opposed to the bill?

Mr. McCONNELL. No; I am not, Mr. Speaker.

The SPEAKER. Without objection a second will be considered as ordered.

There was no objection.

Mr. LESINSKI. Mr. Speaker, I intend to limit my remarks at this time to a brief summary of the provisions of the bill which is before this body for consideration with an explanation of the reasons for reporting it out at this time.

The bill is intended to clarify the overtime compensation provisions of the Fair Labor Standards Act of 1938 as applied to longshore, stevedoring, building, and construction industries.

It should be understood at the outset that this is a special purpose bill and that its effects are definitely limited to the before-mentioned industries, namely, the longshore industry, the stevedoring industry, the building industry, and construction industry.

As you know, the Committee on Education and Labor has been holding hearings on proposed revisions to the Fair Labor Standards Act. As I stated on the floor the other day, it will be impossible to report out this bill for another week or 10 days.

For the information of the Members, I will briefly outline the situation in the longshore and stevedoring industries, which convinced the committee that special action at the earliest possible time is necessary.

For many years prior to the Fair Labor Standards Act of 1938, under collective bargaining agreements in the longshore, stevedoring, building, and construction industries, work at straight time rates

has been limited to specified hours of the day and week. Work outside the specified workday or workweek has traditionally been considered overtime and has been paid for at time and a half or more, as compared with the rate payable during the regular workday or workweek established by contract. Work performed on Saturdays, Sundays, holidays, or on the sixth or seventh day of the workweek was likewise ordinarily made compensable at contract overtime rates amounting to time and one-half or more.

Under the decision of the Supreme Court in Bay Ridge Operating Co. against Aaron, and Huron Stevedoring Corp. against Blue, handed down in June 1948, it was settled that certain premium payments made under these special agreements were not true overtime premiums for purposes of the Fair Labor Standards Act, but were payments for work at undesirable hours. Therefore the existing provisions of the Fair Labor Standards Act required that such premium pay be included in computing the regular rate of pay of such employees and that the premium pay could not be credited toward overtime compensation due under the act.

One of the effects of this decision was to make clear that these long-agreed-upon contracts were unworkable under the present provisions of the Fair Labor Standards Act. This became one of the factors involved in a serious labor disturbance on the east coast in the longshore and stevedoring industry. The unions wanted this type of contract and the employers desired to give it to them. However, the employers felt that they could not legally do so because they would not then be meeting the requirements of the Wages and Hours Act.

Last fall serious strikes occurred in the longshore industry. Settlement of these strikes was made more difficult by the inability of the employers to grant the traditional type of contract which I have just explained, without, at the same time, incurring liability under the Wages and Hours Act to pay for work over 40 hours a week at time and one-half, a rate which would include premium pay that was considered overtime pay under the contract. Finally these strikes were settled, partially as a result of assurances by the Secretary of Labor that he would promptly support legislation to validate in principle the traditional form of contract in that industry.

When the Secretary appeared before our committee, he advised us that there was a necessity for prompt consideration of the problems raised by the Bay Ridge decision and urged that if general legislation could not be enacted by the 15th of February, the bill now before this body should be enacted as separate and special legislation.

The committee also heard the testimony of the representatives of labor and the representatives of management, both of whom agreed that the present law as interpreted in the Bay Ridge decision is creating serious difficulty in the maintenance of desirable labor standards in the longshore, stevedoring, building and construction industries, and that an amendment was urgently needed.

Representatives of management, representatives of the employees, and representatives of the administration have all stated that the bill before this body is necessary to meet the situation which I have outlined, and that it should be passed promptly.

As I have said before, this bill is limited to the longshore, stevedoring, building and construction industries because of the urgent need which was demonstrated for the committee for immediate relief in these industries. The whole subject of overtime on overtime as it affects all industries will be given careful consideration by the committee in connection with the omnibus bill.

H. R. 858 provides that the following extra compensation shall not be deemed a part of the regular rate for purposes of the Fair Labor Standards Act, and that such extra compensation may be credited toward overtime payments required by such section:

(a) Premium rates for work on Saturdays, Sundays, or holidays, or on the sixth or seventh day of the workweek where the premium rate is not less than 1½ times the rate established in good faith for like work performed during nonovertime hours on other days; and

(b) Premium rates for work outside of the basic, normal, or regular workday—not exceeding 8 hours—or workweek—not exceeding 40 hours—established in good faith by contract or agreement where the premium rate is not less than 1½ times the rate established in good faith by contract or agreement for like work performed during such workday or workweek.

The intricacies of the problems which this bill is intended to solve are carefully outlined in report No. 121, which accompanies this bill. The language in the report has been given most careful consideration by the committee and sets forth in great detail the understanding of the committee as to the intent and purpose of H. R. 858.

Mr. Speaker, I yield 5 minutes to the gentleman from Pennsylvania [Mr. McCONNELL].

Mr. McCONNELL. Mr. Speaker, I yield myself such time as I may require.

The enactment of H. R. 858 is necessary to prevent the recurrence of a number of hardships which have arisen under the Fair Labor Standards Act. You will remember that the wage-hour law requires employers to pay "one and one-half times the regular rate for hours of work in excess of 40 a week." But the law does not define "regular rate of pay" as that term applies to payment of overtime. Because of this omission in the Fair Labor Standards Act, the courts have been free to construe the meaning of the terms—and this judicial construction has led to a number of hardship situations which were never contemplated when the act was passed in 1938. These decisions—and particularly the Supreme Court's five-to-three decision in the case of Bay Ridge Operating Co. against Aaron on June 7, 1948—have fallen hard on the stevedoring industry and this bill is especially designed to meet the problem in that industry.

The problem of overtime on overtime arises in the stevedoring industry despite

the most generous union contracts between employers and employees. As an illustration let us take the contract between the International Longshoremen's Association, A. F. of L., and the employers represented by the New York Shipping Association. The conditions of this contract prevail generally in all ports of the Atlantic and Gulf coasts.

Under this contract, longshoremen receive \$1.75 an hour for straight time. Now this would ordinarily be regarded as the regular rate of pay. This rate applies to all work performed between the hours of 8 a. m. and 12 noon—and between 1 p. m. and 5 p. m. from Monday through Friday, inclusive. The contract also provides an overtime rate of \$2.62½ an hour, which is one and one-half times the straight time rate. The overtime rate is paid for all work performed outside of the hours and the days for which straight time is paid. You will note that this contract specifies an exact 8 hours in each day, and an exact 5 days in each week during which straight time will be paid. It is important to remember this point because it is the crux of the "overtime on overtime" problem. Under the contract, any longshoreman working outside the specified hours—which total exactly 40 per week—will be paid time and one-half. Now it would appear that every employer whose employees were covered by this contract would be in compliance with the overtime provisions of the Fair Labor Standards Act. But the courts have held otherwise, and they have based their decisions on judicial construction of the term "regular rate."

Let us look at a specific example of how the problem of overtime on overtime arises. Suppose that a ship arrives in port Monday morning and is ready to discharge cargo at 8 a. m. A longshoreman works at unloading from 8 a. m. until noon, and from 1 p. m. until 5. During these hours he receives straight-time pay under his work contract. But let us suppose that overtime work is necessary to get the ship unloaded in time, and the longshoreman works from 6 until 10 p. m. Under the union contract, these last 4 hours must be compensated at the overtime rate because the work is outside of the specified hours for straight-time pay. Now let us suppose that it is necessary for the longshoreman to work the same hours on Tuesday, Wednesday, and Thursday as he did on Monday. Now, the problem is, How much is the longshoreman entitled to for these 4 days of work? There seems to be a difference of opinion about the correct answer to this question.

A layman, using his common sense, would look at the contract between the employers and the longshoremen. He would find that the contract called for straight-time pay of \$1.75 an hour for all hours worked between 8 in the morning and noon, and between 1 and 5 in the afternoon. Taking this figure, the layman would compute that the longshoreman, in our example, had worked 8 hours a day of straight time—and he had worked 4 days during the week. That means he has worked 32 hours of straight time. Under his contract, he is entitled to \$1.75 an hour, or \$56 for his straight-time work. In our example, the

longshoreman worked 4 hours a day outside the straight-time hours on each of 4 days. Under the contract, he is entitled to \$2.625 cents an hour for each of these 16 hours. Using his common sense, the layman would compute that the longshoreman is entitled to \$42 for his overtime work during the week. In other words, under the union contract, he is entitled to \$98 for the 4 days work—\$56 for straight-time work and \$42 for work outside the straight-time hours. Unfortunately, this common-sense computation used by the layman is not applied to the overtime and regular-rate clauses of the Fair Labor Standards Act, and that fact gives rise to the problem of overtime on overtime.

Now let's look at how the Supreme Court has computed the pay of the longshoreman in our example. During the 4 days the longshoreman worked 48 hours, and he received for his labor \$98, as provided in the employment contract. The Fair Labor Standards Act requires the employer to pay 1½ times the regular rate for hours of work in excess of 40 a week. The question now arises as to what is the regular rate of pay for the longshoreman in our example. Is it the \$1.75 an hour provided in the contract? The Supreme Court has said "No." The Court says that the regular rate of pay is ascertained by dividing the longshoreman's total wages for the week by the number of hours he has worked during the week. The longshoreman in our example received \$98 for working 48 hours. The Court calculated that his regular rate of pay per hour is \$98 divided by 48 hours, or \$2.04 an hour. If this is the regular rate then under the Fair Labor Standards Act, the longshoreman is entitled to one-half of this amount, or \$1.02 an hour—as an added premium for each hour worked in excess of 40 in the week. The layman, after reading the work contract and by using simple computations, found that the longshoreman should receive \$98 for 48 hours work. The Supreme Court makes a different finding however. The Court has held that the longshoreman is entitled to \$98 under the contract, and, in addition, he is entitled to \$1.02 an hour under the Fair Labor Standards Act as an additional premium for the hours worked after 40 in the week. In other words, the employer still owes the longshoreman \$8.16 for the 48 hours work.

This bill, H. R. 858, seeks to clarify the overtime compensation provisions of section 7 of the Fair Labor Standards Act of 1938 as applied in the longshore, stevedore, building and construction industries. H. R. 858 provides that when an employee is paid for work on Saturdays, Sundays, or holidays, or on the sixth and seventh day of the week at a premium rate not less than 1½ times the rate established in good faith for work performed in nonovertime hours on other days, such extra compensation shall not be deemed part of the regular rate at which the employee is employed, and may be credited toward any premium compensation due him under this section for overtime work.

H. R. 858 also provides that when an employee working in pursuance of an applicable employment contract or col-

lective bargaining agreement is paid for work outside the hours established in good faith by the contract or agreement as the basic, normal, or regular workday, not exceeding 8 hours, or workweek, not exceeding 40 hours, at a premium rate not less than one and one-half times the rate established in good faith by the contract or agreement for like work performed during such workday or workweek; such extra compensation shall not be deemed part of the regular rate at which the employee is employed, and may be credited toward any premium compensation due him under this section for overtime work.

This bill has received very widespread support. Representatives of the Department of Labor, the Army, the stevedoring industry, and various labor unions appeared before your Education and Labor Committee to express approval of H. R. 858.

For example, Louis Waldman, general counsel of the International Longshoremen's Association—A. F. of L.—testified before your committee that—

The danger to American labor from the Fair Labor Standards Act—

As it is limited by the Bay Ridge decision—

is real and immediate. The very foundations of free collective bargaining are threatened—

He told us.

I do not believe Congress will want to see this situation continue unremedied. The American labor movement in sponsoring and in supporting the FLSA in 1938 did not intend to have it supplant free collective bargaining. Surely Congress never contemplated that the law should be developed and construed as to hurt labor—

The American Federation of Labor representative said.

The Bay Ridge case is unique in that it shows management and labor fighting side by side through the courts in a vain effort to sustain their collective-bargaining agreements. The president of the International Longshoremen's Association—A. F. of L.—testified as a witness for the defendant employers. The International Longshoremen's Association filed briefs in the Supreme Court supporting the Government's contention that the overtime claims should be thrown out. The American Federation of Labor likewise submitted a brief in the Supreme Court in which they stated that the Bay Ridge decision strikes at the very foundation of collective bargaining.

The immediate enactment of this bill would clarify the term "regular rate," and thereby enable new contract negotiations to proceed in the stevedoring industry which has been operating under a temporary agreement pending legislative action of Congress, and in the building and construction industry where new contract negotiations are expected to start within the next several weeks.

An equally important part of this entire problem is not covered by H. R. 858. I speak of the desperate need for relief to the employers in the stevedoring industry who are faced by an avalanche of lawsuits arising out of claims for overtime on overtime. The liabilities faced by these concerns far exceed their total

assets and yet these concerns complied to the letter with their collective-bargaining contracts. What has happened is this. Certain individual employees urged on by attorneys primarily interested in large contingent fees, have filed claims for overtime on overtime. They have done this in opposition to the wishes of their labor organizations. To permit these claims to be sustained is to grant a windfall to men who are paid all they ever expected to receive for their work. Furthermore, to permit these claims to succeed is to punish the thousands of loyal members of labor organizations who believed in the integrity of contract and who complied with their union's request not to sue. There is absolutely no merit in the claims.

Your committee was advised during the hearings that four lawsuits have now been filed in the building and construction industry. The committee considered the question of making this legislation retroactive and I may say that a majority of the committee members appeared to favor such a move. However, we ran into a parliamentary problem in that such an amendment would be considered not germane to H. R. 858. Accordingly the committee members never had a real opportunity to express their views on retroactivity. I believe that ultimately Congress will wish to extend the necessary relief to these employers who have acted in good faith and I hope that an opportunity may be found for such action in the consideration of H. R. 858 by the other body.

I think it is also appropriate for me to comment on the spirit of nonpartisan cooperation among the members of the Education and Labor Committee in considering and reporting this bill. Our chairman has given a fair and patient hearing to all witnesses, and he has been most cordial in all respects to the members of the minority. Working together, we have turned out a bill which merits the support of every Member of this House.

Mr. KEATING. Mr. Speaker, will the gentleman yield?

Mr. McCONNELL. I yield.

Mr. KEATING. Do I understand that representatives of the labor organizations as well as of management and of the Labor Department all appeared in support of the legislation?

Mr. McCONNELL. That is correct.

Mr. LYNCH. Mr. Speaker, will the gentleman yield?

Mr. McCONNELL. I yield.

Mr. LYNCH. Do I understand that there is nothing in this bill that is retroactive?

Mr. McCONNELL. That is correct; there is nothing in this bill that is retroactive.

The SPEAKER pro tempore. The time of the gentleman from Pennsylvania has expired.

Mr. MARCANTONIO. Mr. Speaker, I yield myself such time as I may use.

The SPEAKER pro tempore. The gentleman from New York is recognized for 20 minutes.

Mr. MARCANTONIO. Mr. Speaker, it is indeed significant that the very first piece of labor legislation that comes before the Eighty-first Congress, a Con-

gress which was elected as the friend of labor, happens to be a bill which takes thousands and thousands of American workers—longshoremen—from under the protection of the Fair Labor Standards Act. We have here a situation again where propaganda and a repetition of that propaganda is being utilized against the best interests of men who work in what undoubtedly is the most hazardous occupation in this country.

We have heard the term "overtime on overtime" and we have had it repeated here time and time again. If ever there were a misnomer and a distortion of the real situation this is it; we are not dealing with overtime on overtime. We are not dealing with overtime at all.

The average longshoreman is paid under contract a stipulated rate of pay for work between the hours of 8 a. m. and 5 p. m. Then there is an additional rate which is not an overtime at all, but is rather a penalty for time that the longshoreman works after the hour of 5 p. m.

This is not something new. It has existed all the way back to 1872. The reason for this penalty pay is the hazardous conditions under which a longshoreman has to work after dark in either loading or unloading a ship.

There is no light. He is deep down in the hold of the ship. The result has been that the casualties have been enormous and because of the danger of night work there has always been penalty pay. It is this penalty pay which the proponents of this bill and the stevedore and shipping companies are trying to sell the country as overtime pay. It is not.

The Wage and Hour Administration has had this question before it and no one can deny that the Wage and Hour Administrator has warned the companies that this is not overtime pay; that it is a penalty pay and that pursuant to the provisions of the Fair Labor Standards Act legal overtime pay can be computed only on one basis—that is, on the basis of weighting the average of both the regular day and night rates. That is exactly how the Supreme Court has interpreted the Fair Labor Standards Act.

So, now, after the Supreme Court has acted and after the Supreme Court has decided this matter, and stated that the companies have been improperly making huge sums by robbing these men—a condition which was corrected by the Supreme Court decision—these companies come to Congress, the Eighty-first Congress for relief. And, mind you, under a suspension procedure we have this legislation which deals a very serious blow to the pocketbooks of the longshoremen of this country before us.

Mr. ROONEY. Mr. Speaker, will the gentleman yield?

Mr. MARCANTONIO. I yield to the gentleman from New York.

Mr. ROONEY. Is it not a fact that under the provisions of the bill now under consideration the compensation presently being received by longshoremen will be reduced?

Mr. MARCANTONIO. It will definitely be reduced and these longshoremen will be taking a very definite licking from the standpoint of dollars and cents under this bill.

When the gentleman from Pennsylvania spoke of hardships, he was talking of the hardships of the shipping and stevedore companies. This is a bill to relieve these companies from the provisions of the Fair Labor Standards Act insofar as it applies to longshoremen. It is a bill that exempts longshoremen from the provisions of the Fair Labor Standards Act, and, mind you, it is being done in a Congress in which we hear so much talk about extending the Fair Labor Standards Act and revising the minimum-wage provisions upward. That is the talk, but the specific proposition that we have before us is to exempt longshoremen from the act.

Mr. JAVITS. Mr. Speaker, will the gentleman yield?

Mr. MARCANTONIO. I yield to the gentleman from New York.

Mr. JAVITS. I notice that the committee reports that this bill comes before us with the concurrence of the employees. The committee refers specifically to the fact that the employees believe the collective bargaining associations would be complicated by the present situation under the Supreme Court decision. Does the gentleman have any information on that?

Mr. MARCANTONIO. I have an observation to make. I wish I did not have to make it, because I do not want to get into personalities. Yes, this bill has the consent of the king of the longshoremen. Mr. Ryan came here and testified on behalf of this legislation. But is it necessary for me to describe the activities of Mr. Ryan to the gentleman from New York [Mr. JAVITS]? Is it necessary for me to go into detail with respect to Mr. Ryan's approach on these questions that involve the interest of members of his union who can say nothing? Is it necessary to refer further to Mr. Ryan who had himself elected for life as president of the union? I do not think I have to go into that question and I am not going to go into it further. It speaks for itself.

I may say to the gentleman that if he wants to know how the average longshoreman feels about this legislation, let him go down along the waterfront of our city, and I can assure the gentleman without any fear of being contradicted on this proposition that out of every 10 men questioned he will find every 1 of the 10 opposed to this legislation. The rank and file of the longshoremen are opposed to this legislation, despite what King Ryan has said to this committee. The reference to concurrence on the part of the union is a mighty, mighty weak case. It is the weakest case that can be made for this bill.

Mr. JAVITS. I understand that the CIO representatives have also agreed that this legislation should be passed.

Mr. MARCANTONIO. That is not my understanding of it as far as the longshoremen are concerned.

Mr. JAVITS. Perhaps the chairman of the committee can enlighten us on the union's position.

Mr. MARCANTONIO. The gentleman will have to take his own time on that.

Mr. CRAWFORD. Mr. Speaker, will the gentleman yield?

Mr. MARCANTONIO. I yield to the gentleman from Michigan.

Mr. CRAWFORD. The question I wish to ask is to clear in my own mind what is the basis for the overtime. Assuming the rate from 9 to 5 is \$1.75 an hour, and the penalty rate after 5 p. m. we will say is \$2 an hour, is the overtime proposed by this bill based on the rate during the day or during the so-called penalty time?

Mr. MARCANTONIO. Under this bill it would not be permitted to fix overtime as it is now fixed by law.

In many industries you have a rate for penalty time as well as straight time. In such circumstances the overtime rate is based on the weighted average of both rates. It is the weighted average that fixes the overtime rate. That is the law. This bill now says you cannot do this with respect to longshoremen. Why can you not do this with respect to longshoremen? I will tell you why. You have had lawsuits on this proposition. These lawsuits have been determined in favor of the men. Now we have this bill before us. Of course, they tell us that there is no retroactive feature in the bill. But this bill is going to the Senate, it will be coming back, it will be going through various processes, and sometime, somewhere, somehow, you and I know that that retroactive feature is going to be put in it. In fact, the gentleman from Pennsylvania [Mr. McCONNELL] in his discussion of the bill was very frank and honest with us. He stated that because this bill comes up under suspension he cannot offer the amendment he desires to offer. It was the gentleman's intention, was it not, to offer an amendment in order to make this bill retroactive?

Mr. McCONNELL. It was the hope of quite a few of us in the committee to have an amendment offered that would make the provisions retroactive. We were informed, however, by the Parliamentarian, that it was not germane and would be subject to a point of order.

Mr. MARCANTONIO. Exactly, but if it had not been for the rules of the House it was the intention to make it retroactive?

Mr. McCONNELL. That is right.

Mr. MARCANTONIO. Further, it can be done at any time. It can be done in conference. It can be done in the Senate. Then we will have a bill here saving these companies millions of dollars, which the Supreme Court of this land has said rightly belongs to these men, as the result of a correct—I say correct—interpretation of the Fair Labor Standards Act, by using the weighted average of both rates for determining the overtime pay.

What you want to use here is the penalty pay. But the penalty pay is not overtime pay. That is the gimmick in this thing. That is the little trick in this thing. It is being sold to the country under the misnomer of overtime on overtime, which is just sheer bunk and sheer nonsense. It is a device and a distortion to change the Fair Labor Standards Act for the benefit of these companies.

Mr. CRAWFORD. Mr. Speaker, will the gentleman yield?

Mr. MARCANTONIO. I yield to the gentleman from Michigan.

Mr. CRAWFORD. Since the gentleman has further explained, and on reading this language, I would interpret this as meaning that the so-called penalty rate cannot be used as a base for determining the overtime if this bill becomes law.

Mr. MARCANTONIO. But under the law, I again say to the gentleman, and I hope I am making myself clear, under the Fair Labor Standards Act it is the weighted average of both the regular night rate and the regular day rate which is to determine the overtime rate and nothing else.

Mr. CRAWFORD. What I am trying to find out is, what will the situation be if this bill becomes a law?

Mr. MARCANTONIO. If this bill becomes law, then the penalty rate would be considered the legal overtime rate. There would be no real overtime pay for longshoremen. In other words, the longshoremen would not come under the overtime provisions of the Fair Labor Standards Act.

Mr. CRAWFORD. That is what I wanted to know.

Mr. KEEFE. Mr. Speaker, will the gentleman yield?

Mr. MARCANTONIO. I yield to the gentleman from Wisconsin.

Mr. KEEFE. I am interested on reading the report to find that the Department of Labor itself approves this legislation. Has the gentleman any comment to make upon that?

Mr. MARCANTONIO. All I can say to the gentleman from Wisconsin is that when powerful influences begin to work they know their way around the halls in Washington. They know them better than the rank and file of the longshoremen.

Mr. BREHM. Mr. Speaker, will the gentleman yield to me for a minute?

Mr. MARCANTONIO. I will not yield for a minute, but I will yield for a question.

Mr. BREHM. I should like to have a minute. I cannot explain or make the point I have in mind in less than a minute or by simply asking a question. I do not want to ask a question. I want to help the gentleman clarify the situation.

Mr. MARCANTONIO. The gentleman will have to get his time from the people on the affirmative side of this bill.

Mr. BREHM. The gentleman does not know where I stand on this bill. I have not yet had an opportunity to express my views.

Mr. MARCANTONIO. I will yield to the gentleman if he wants to ask a question, but if the gentleman wants any time, I will definitely say to him that I will not give any time to anybody who is for the bill, because the chairman of the committee is in charge of the time for the proponents. I am in charge of the time for the opponents of the bill.

Mr. CAVALCANTE. Mr. Speaker, will the gentleman yield so that I may ask a question of the gentleman from Pennsylvania?

Mr. MARCANTONIO. I yield to the gentleman from Pennsylvania.

Mr. CAVALCANTE. Will the gentleman from Pennsylvania state whether it is true that if this bill is passed the

longshoremen will receive less pay for their hazardous work than they are receiving now?

Mr. McCONNELL. I can only say this in answer to the gentleman. There is a difference of opinion on that question. Some of the labor men before us, as well as the employers, stated that in some cases it would penalize them, and in other cases it would be in their favor. It would be difficult to make a general blanket statement in that respect.

Mr. MARCANTONIO. May I interrupt the gentleman right there to say this to the gentleman from Pennsylvania. What is the situation? The situation is that the Supreme Court has ruled that the weighted average is to be used in establishing the overtime rate. The regular night penalty pay is no overtime pay. Therefore, it is common sense that if this bill is passed the longshoremen will receive less than what the Supreme Court has determined they should receive under the interpretation the Supreme Court has made of the Fair Labor Standards Act.

Mr. McCONNELL. Mr. Speaker, will the gentleman yield?

Mr. MARCANTONIO. I yield to the gentleman from Pennsylvania.

Mr. McCONNELL. I think the stevedores made a very significant statement when they appeared before our committee and said that they tried to work out a new contract on the basis of the decision of the Supreme Court, and the employees did not want it that way. They wanted their old contract provisions continued.

Mr. MARCANTONIO. Except that these employees have gone to court to obtain these moneys which were withheld from them, and the court has held that they were withheld from them wrongfully.

Mr. McCONNELL. Only a certain small percentage of the employees have filed any claims. With no retroactive features in this bill, you are in effect giving a windfall to certain groups who have not been loyal union members, and who have not gone along with their leaders.

Mr. MARCANTONIO. The gentleman now is dragging in something which is not relevant at all, but the gentleman's statement, again, is very, very significant. It is obvious that the gentleman aims at what? He is aiming at making this bill retroactive. I do not think there is any doubt in any Member's mind as to the gentleman's contention.

I do not believe I am misstating the gentleman's intention when I state that.

Mr. McCONNELL. Mr. Speaker, will the gentleman yield?

Mr. MARCANTONIO. I yield.

Mr. McCONNELL. The effect of your position would be to penalize thousands and thousands of loyal union members.

Mr. MARCANTONIO. We are not penalizing anybody. In fact we are protecting them. As I said to you before the rank and file, or the average longshoreman will tell you that since 1872 the pay for nighttime work is not overtime pay, but penalty pay, because of the hazardous conditions of the work. That is the history of the longshore industry. To deprive the longshoremen of their overtime as this bill does, is penalizing the

longshoremen for the benefit of the companies.

The gentleman cannot deny it. The committee cannot deny it. It is a fact.

Mr. ROONEY. Mr. Speaker, will the gentleman yield?

Mr. MARCANTONIO. I yield.

Mr. ROONEY. Can the gentleman imagine any reason why longshoremen would be penalized as suggested by the gentleman from Pennsylvania if this bill were to be defeated.

Mr. MARCANTONIO. If this bill were to be defeated, they would get the benefit of a Supreme Court decision which upholds their contention that the rate for nighttime work is the regular rate for this work and that it is not overtime pay. They would get the benefit of a decision which states that longshoremen are not to be treated any differently from anybody else and that they should be treated in accordance with the provisions of the Fair Labor Standards Act which provides that the weighted average of both rates is to be used as the determinant of the overtime rate.

Mr. LYNCH. Mr. Speaker, will the gentleman yield?

Mr. MARCANTONIO. I yield.

Mr. LYNCH. And this benefit was so interpreted by the Supreme Court?

Mr. MARCANTONIO. Definitely. It has been interpreted by the Supreme Court and that is why you have this legislation here. This legislation, as it is now, first, takes the longshoremen from under the protection of the Fair Labor Standards Act with respect to overtime; and, second, when this bill comes back either from the other body or our of conference, you gentlemen have heard of the desire to put retroactive features in the bill. So that if you pass this bill, you will be first taking the longshoremen out from the protection of the Fair Labor Standards Act and you will also be starting the vehicle which is intended to circumvent the decision of the Supreme Court and deprive these thousands and thousands of men of their just claims, claims which the Supreme Court has adjudicated to be just and in accordance with the provisions of the Fair Labor Standards Act.

Mr. ROONEY. Mr. Speaker, will the gentleman yield to me so that I may propound a question to the chairman of the committee, the gentleman from Michigan?

Mr. MARCANTONIO. Yes.

Mr. ROONEY. I want to ask, may I suggest to the gentleman, that the chairman state whether or not it is the intention of the majority members of the committee to insert retroactive provisions, should this bill pass, and go into conference?

Mr. MARCANTONIO. The gentleman knows that that cannot be within the control of any individual. We have heard the position of the ranking minority member of the committee on this. Why take a chance?

Mr. ROONEY. Understand, I am going to vote against this bill.

Mr. MARCANTONIO. I understand, but I am simply stating my position.

Mr. ROONEY. I am suggesting that a record be made as to the position of the majority members of the committee.

The SPEAKER pro tempore (Mr. WHITTINGTON). The time of the gentleman from New York [Mr. MARCANTONIO] has expired.

(Mr. MARCANTONIO asked and was given permission to revise and extend his remarks and insert excerpts from various briefs prepared on this question.)

Mr. LESINSKI. Mr. Speaker, I yield such time as he may acquire to the gentleman from Massachusetts [Mr. GOODWIN].

Mr. GOODWIN. Mr. Speaker, following the decision of the United States Circuit Court of Appeals in the cases of Bay Ridge Operating Co. and Huron Stevedoring Corp., I filed a bill in the Eightieth Congress which became known as the overtime-on-overtime bill. The filing of this bill was prompted by the obvious necessity for the Congress to clarify the situation by legislation which would have the effect of a definition of regular rate of pay in the Fair Labor Standards Act of 1938, to take care of a condition of uncertainty and confusion which had risen among both management and labor, particularly in the stevedoring industry. The subsequent decision of the Supreme Court augmented the need for corrective legislation.

The bill aroused great interest all over the country and was apparently unanimously approved by industry and management and also had the approval of those segments of labor most closely allied with the longshore and stevedoring industries. Through a combination of circumstances the bill never reached the floor of the House for debate. If it had, I am satisfied that it would have passed the Congress by an overwhelming vote.

We now have under consideration H. R. 858 and while it falls far short of the objectives sought in my original bill on overtime-on-overtime I am glad to support it and hope it will pass. I wish it were not confined to the longshore, stevedoring, and building and construction industries. Of course coverage may yet be extended. I understand that the Committee on Education and Labor may later report a main bill which will cover all industries. Of course there is the possibility that H. R. 858 may be amended by the other branch or changed in conference so that the benefit of this legislation may be extended to other industries. I certainly feel that this benefit should be extended at least to every industry where clock-pattern overtime exists.

I wish also that H. R. 858 could have gone as far as the original overtime-on-overtime bill went and contained the feature of retroactivity. It is difficult to see how there could be any logical objection to this procedure because if the principle of H. R. 858 is sound for the future then it ought to be applied to pending litigation. Here again, as in the case of the desirability for extending the benefit of the legislation to other industries, we may hope that the law may be made retroactive by subsequent change. The need for extending the principle of the bill to pending suits is no less urgent in respect to overtime-on-overtime than it was in the case of portal-to-portal pay.

And so even though this bill does not go as far as I feel it should, I still favor

and urge its passage. I believe it will result in helping remove a serious threat of burdening and obstructing the commerce of the country by minimizing disputes between labor and management, and will go far toward maintaining the integrity of the principle of collective bargaining.

Mr. LESINSKI. Mr. Speaker, I yield 4 minutes to the gentleman from Texas [Mr. LUCAS].

Mr. LUCAS. Mr. Speaker, of all the remarks that I have ever heard the gentleman from New York [Mr. MARCANTONIO] make on the floor of the House, I have never heard him make so many erroneous statements as he has just made here now.

In the first place, let me say to the gentleman that this bill does not remove longshoremen from the benefits of the Fair Labor Standards Act. It defines their rights thereunder.

Second, let me say to the gentleman that it does not reduce the amount of pay which they will receive from their employers upon the passage of this bill. Upon the passage of this bill they will receive more pay. I will tell you why. First, they have to work under a strict 40-hour week because under the Bay Ridge decision employers cannot run the risk of working them longer than the contract the Government provided for under the Fair Labor Standards Act, because they would be subject to penalty and liquidated damages. The employers are willing to work the employees 48 hours a week. The employees want to work 48 hours a week. They want to enter into a contract to permit them to get time and a half overtime over 40 hours. But the employer and the employees cannot agree to that because of this decision of the Supreme Court. Therefore, the employees can work longer hours than 40 if we pass this law. Therefore their compensation will be greater for a week's work.

Mr. LYNCH. Mr. Speaker, will the gentleman yield?

Mr. LUCAS. I yield.

Mr. LYNCH. The gentleman stated that this legislation defines the rights of longshoremen. May I ask this question of him? Does this legislation in any wise affect any rights or benefits that have already accrued to the employee as interpreted by the Supreme Court?

Mr. LUCAS. No, we have no power in our committee to bring out a retroactive feature. However, I intend to address myself to that subject presently.

Mr. Speaker, since retroactivity has been brought up here, I think the Members of the House ought to have the benefit of the evidence which was brought before our committee on this subject. It is necessary that the House take some action upon retroactivity. I hope we are permitted to do so later on. The evidence before our committee by the Maritime Commission showed us that there was a likelihood of as much as \$375,000,000 worth of claims being brought against the United States Government as a result of our guaranty on these contracts during the war.

The people of the United States are going to lose \$375,000,000—or even

more—unless the Congress acts upon retroactivity. It means that a great many employers are going to be put out of business. One witness appeared before the committee from the west coast who said his company was worth \$125,000; that he had worked all his life to build it up, but that at the present time suits had been brought against his company amounting to more than a million dollars as a result of this Bay Ridge decision, not as a result of any contract. It is outside the contract. The employees were working under a contract under which the employers were satisfied, and the employees were satisfied. We may assume that or they would not have worked under it. After this decision by the Supreme Court they found they had additional rights, a windfall, which might come to them; and they have brought these suits. The CIO headquarters, the A. F. of L., the International Longshoremen's Union, all favor the passage of this bill.

Mr. ROONEY. Mr. Speaker, will the gentlemen yield?

Mr. LUCAS. I yield.

Mr. ROONEY. The gentleman from Texas answered the gentleman from New York [Mr. LYNCH] a while ago. In connection with that answer I wish to ask if it is not a fact that if this bill becomes law the amount of award made by the Supreme Court will be taken away from the longshoremen? In other words, they have that additional advantage under the Supreme Court decision; is not that true?

Mr. LUCAS. From now on; yes.

Mr. ROONEY. That is all I wanted to know.

Mr. LUCAS. But not retroactively from the date of the passage of this bill.

The SPEAKER pro tempore. The time of the gentleman from Texas has expired.

Mr. LESINSKI. Mr. Speaker, I yield the gentleman one additional minute.

Mr. COLMER. Mr. Speaker, will the gentleman yield?

Mr. LUCAS. I yield.

Mr. COLMER. I merely wanted to clarify the matter raised by the question of the gentleman from New York. The gentleman says it would take away certain rights; that is a question of construction, is it not, a construction of what are rights?

Mr. LUCAS. Yet; these are statutory rights granted under the original act of 1938, and the Congress has the power to take them away if it desires. But it is not taking away past rights granted; it is depriving them of exercising those rights in the future.

I should like to add one or two words of explanation to what the chairman has said with regard to this bill, particularly on the subject of retroactivity. The evidence before the House Education and Labor Committee showed that there are a large number of lawsuits involving substantial amounts against businessmen in the stevedoring and related industries, many of them with very small or limited capital. It also showed that suits are now beginning to be filed in other industries, despite the fact that the International Longshoremen's Union, A. F. of L., and CIO, have advised their members not to bring suits for overtime-

on-overtime recoveries allowable under the Supreme Court decision. These claims are based on technicalities without any real merit. Collection of such claims would be grossly inequitable as well as ruinous to all industry, particularly the stevedoring industry. For all these reasons the testimony before the committee showed conclusively that retroactive relief along the lines of the Portal-to-Portal Act was fully justified. I believe that a majority of the members of the committee hold the same opinion on this point. However, the committee was unable to act upon the suggestion for adding a provision outlawing such claims because the committee was advised by the Parliamentarian that such provision would not be germane since the bill as originally introduced did not cover the aspect of retroactivity. It is because of this technicality that the committee failed to act on this matter. It was not because of any feeling on the part of the committee that the claims were justified, and their failure to act should in no way be construed as opposition by the committee to protection of industry against such retroactive claims.

In view of the serious threat which these lawsuits hold to the welfare of this important industry, I hope that when the bill is considered on the other side a provision providing equitable relief in this threatening situation will be added.

Mr. LESINSKI. Mr. Speaker, I yield 1 minute to the gentleman from Ohio [Mr. BREHM].

Mr. BREHM. Mr. Speaker, I cannot say much in the time allotted, but I would like to give this illustration: Some speakers are calling this penalty time; it is premium time. No one is being penalized, they are receiving a premium for Saturday, Sunday, and holiday work. Say, for instance, a longshoreman works Wednesday, Thursday, Friday, Saturday, and Sunday. He gets regular pay for Wednesday, Thursday, and Friday, but he gets premium pay for Saturday and Sunday, and it just so happens that this premium pay is the same per hour as the overtime rate of pay. Now, suppose he continues working the following Monday, Tuesday, and Wednesday. Certain elements within the union have said that having worked Monday, Tuesday, and Wednesday, they were working over 40 hours a week and they therefore should have time and a half for Monday, Tuesday, and Wednesday, since they were working consecutively more than 40 hours in one stretch.

Mr. Green, president of the A. F. of L., and certain members of the Longshoremen's Union, including their president, have said that it never was intended nor contemplated that this was to be counted as overtime work, that their contract did not so specify and both officers so advised their membership. Nevertheless, a few members of the union have filed suit to collect what they claim are back wages on this type of work. The Supreme Court has ruled that they are entitled to this overtime pay, since it represents work done in excess of 40 hours in any one week. That Mr. Speaker constitutes the only argument there is here between the committee report and what the gentleman from New York is talking about.

This is purely a moral question in the opinion of your committee. If a contract had been arrived at in good faith and all parties to the contract were satisfied and understood it to mean one and the same thing; and then at a much later date someone, anyone, with time on his hands, should discover what he believes to be an oversight in the contract, is this someone justified in filing suit on a percentage basis in behalf of a few members covered by the contract? I am not attempting to answer that question here, nor does this legislation have any bearing on suits already filed. I doubt if we could exercise retroactive jurisdiction over the courts even though we were so minded. The sole purpose in fact the only intent so far as my own position on this particular bill is concerned, is to prevent similar suits being filed in certain industries named in H. R. 858.

The SPEAKER pro tempore. The time of the gentleman from Ohio has expired.

Mr. LESINSKI. Mr. Speaker, I yield the balance of my time to the gentleman from North Carolina [Mr. BARDEN].

The SPEAKER pro tempore. The gentleman from North Carolina is recognized for 4½ minutes.

Mr. BARDEN. Mr. Speaker, I attended the hearings on this bill. I am perfectly frank to say to you that I did not hear one single reason that I regarded as a moral reason for opposing this bill. It was plainly stated to the committee that this bill would enable the longshoremen and the men who had been working under contracts affected by the recent decision of the United States Supreme Court to keep faith with their employers, and would enable the employers to keep faith with them. I recall that at the end of the statement of one witness I made the remark that I just had faith enough in the House to believe that the House would keep faith with both parties.

We have enough trouble in this country where there are differences, and just differences, between employers and employees; but here is a situation in which you are not taking one penny away from the employees who never have regarded it as being a debt due; it is simply on a technicality that someone discovered that they could take something which apparently no one considered is due. This cannot be denied. In addition, we are correcting a situation which will cost the United States public anywhere from a quarter of a billion dollars on up; the War Department told us they did not know how high it would go, they had no way at this time of figuring that.

To me the position of the longshoremen is that they do not wish to change their type of contract and they are not going to change their type of contract. What kind of position would that leave us in? It would leave us in the position of saying to the employer, "You must have so and so in your contract," with the employees saying to us, "We are not going to accept it; we are not going to change our tried and experienced type of contract." Thus we would simply be adding fuel to the fire of labor-management difficulties.

I did not dream there would be any opposition to this bill. I, of course, knew

it was the sentiment of the committee that a retroactive clause should be put into the bill; but when it developed that it would be subject to a point of order on the ground of germaneness, that matter was passed over. But in the hearings before the committee, and they were very complete to my way of thinking, I could not see any just opposition to bring about the very thing that both the employers and the employees were calling for.

Now I will admit there was a group came down from New York and presented their side of the picture, but I confess they certainly did not impress me, and I am inclined to think they did not impress other members of the committee very much, because this lawyer admitted that he had already garnered up some several million dollars, two or three million dollars, of these claims and by some kind of a contract on a percentage basis he naturally was opposed to it. He was the one who testified.

Mr. BROOKS. Mr. Speaker, will the gentleman yield?

Mr. BARDEN. I yield to the gentleman from Louisiana.

Mr. BROOKS. I have an inquiry as to why some provision covering all industry should not have been included in the bill. Would the gentleman care to comment on that?

Mr. BARDEN. I may say to the gentleman that if this bill had been brought out in some other manner than under suspension of the rules I am satisfied that provision would have been included, but this is a rush job to take care of a situation that is before us right at this time. There is no reason in the world why it should not include all contracts and eventually I am satisfied the House will include all contracts.

Mr. BREHM. Mr. Speaker, will the gentleman yield?

Mr. BARDEN. I yield to the gentleman from Ohio.

Mr. BREHM. If you include all industry you might interfere with contracts already set up. We left that out until the committee had a chance to study the matter further.

Mr. KENNEDY. Mr. Speaker, will the gentleman yield?

Mr. BARDEN. I yield to the gentleman from Massachusetts.

Mr. KENNEDY. I want to point out that it will be considered in a regular bill. I refer to the matter to which the gentleman from Louisiana [Mr. BROOKS] referred. Additional industry will be covered when we bring out the regular minimum-wage bill.

Mr. BARDEN. That is true. As I understand it, there is no real controversy in the committee about the justice, the merit, and the fairness of the type of legislation we are now considering.

The SPEAKER. All time has expired.

CALL OF THE HOUSE

Mr. PICKETT. Mr. Speaker, I make the point of order a quorum is not present.

The SPEAKER. The Chair will count. [After counting.] One hundred eighty-seven Members are present, not a quorum.

Mr. McCORMACK. Mr. Speaker, I move a call of the House.

A call of the House was ordered.

The Clerk called the roll, and the following Members failed to answer to their names:

[Roll No. 19]

Abernethy	Delaney	Macy
Addonizio	Dingell	Marrow
Allen, Ill.	Dollinger	O'Brien, Mich.
Allen, La.	Donohue	O'Hara, Ill.
Andersen,	Doughton	Patterson
H. Carl	Douglas	Pfeifer,
Andersen,	Ellsworth	Joseph L.
August H.	Engel, Mich.	Philbin
Bailey	Fernandez	Phillips, Tenn.
Barrett, Pa.	Forand	Powell
Bates, Ky.	Fulton	Quinn
Bennett, Fla.	Furcolo	Riehlman
Bennett, Mich.	Gamble	Rodino
Bentsen	Gathings	Sabath
Biemiller	Gore	Scott, Hardie
Bishop	Hand	Scott,
Bolton, Ohio	Harris	Hugh D., Jr.
Bryson	Hart	Secrest
Buckley, N. Y.	Hébert	Sheppard
Bulwinkle	Heffernan	Smathers
Burnside	Hoffman, Mich.	Smith, Ohio
Canfield	Jacobs	Somers
Carnahan	Jonas	Steed
Celler	Jones, Mo.	Tauriello
Chatham	Judd	Taylor
Christopher	Kearney	Thomas, N. J.
Clemente	Kee	Towe
Coffey	Keogh	Velde
Cole, N. Y.	Klein	Vorys
Corbett	Lane	Welchel
Cotton	Lanham	Wickersham
Coudert	Latham	Wolverton
Cunningham	LeFevre	Woodhouse
Davis, N. Y.	Lichtenwalter	Zablocki
Davis, Tenn.	Linehan	
DeGraffenried	McKinnon	

The SPEAKER. On this roll call 332 Members have answered to their names, a quorum.

By unanimous consent, further proceedings under the call were dispensed with.

CLARIFYING OVERTIME COMPENSATION PROVISIONS OF FAIR LABOR STANDARDS ACT

Mr. WOOD. Mr. Speaker, a parliamentary inquiry.

The SPEAKER. The gentleman will state it.

Mr. WOOD. Under this procedure under suspension is it in order to submit an amendment to make the provisions of this act applicable to all industries rather than to those mentioned in the bill?

The SPEAKER. No amendments are in order under a suspension of the rules.

The question is, Will the House suspend the rules and pass the bill H. R. 858 as amended?

The question was taken; and on a division (demanded by Mr. MARCANTONIO) there were—ayes 230, noes 7.

The SPEAKER. So (two-thirds having voted in favor thereof) the bill is passed.

For what purpose does the gentleman from California rise?

Mr. ANDERSON of California. The gentleman has been trying to request the yeas and nays on this bill and I am sorry I was not recognized at the time.

The SPEAKER. The gentleman is recognized now and, if he so desires, the Chair will withdraw his statement that the bill is passed.

Mr. ANDERSON of California. The gentleman was on his feet requesting the yeas and nays.

The yeas and nays were refused.

The bill was passed.

The title was amended to read as follows: "A bill to clarify the overtime compensation provisions of the Fair Labor Standards Act of 1938, as amended, as applied in the longshore, stevedoring, building and construction industries."

A motion to reconsider was laid on the table.

The SPEAKER. Without objection, House Resolution 111 will be laid on the table.

There was no objection.

GENERAL LEAVE TO EXTEND REMARKS

Mr. LESINSKI. Mr. Speaker, I ask unanimous consent that all Members may have five legislative days in which to extend their remarks in the RECORD on the bill just passed.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

There was no objection.

SPECIAL ORDER GRANTED

Mr. HINSHAW. Mr. Speaker, I ask unanimous consent that on Thursday next, at the conclusion of the legislative program of the day and following any special orders heretofore entered, I may be permitted to address the House for 45 minutes.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

COMMITTEE ON EDUCATION AND LABOR

Mr. MADDEN. Mr. Speaker, by direction of the Rules Committee I call up House Resolution 75 and ask for its immediate consideration.

The Clerk read as follows:

Resolved, That the Committee on Education and Labor, acting as a whole or by subcommittee, is authorized and directed to conduct thorough studies and investigations relating to matters coming within the jurisdiction of such committee under rule XI (1) (g) of the Rules of the House of Representatives, and for such purposes the said committee or any subcommittee thereof is hereby authorized to sit and act during the present Congress at such times and places within the United States, whether the House is in session, has recessed, or has adjourned, to hold such hearings, and to require by subpoena or otherwise the attendance and testimony of such witnesses and the production of such books, records, correspondence, memoranda, papers, and documents, as it deems necessary. Subpenas may be issued over the signature of the chairman of the committee or any member of the committee designated by him, and may be served by any person designated by such chairman or member. The chairman of the committee or any member thereof may administer oaths to witnesses.

That the said committee shall report to the House of Representatives during the present Congress the results of their studies and investigations with such recommendations for legislation or otherwise as the committee deems desirable.

Mr. MADDEN. Mr. Speaker, this resolution is identical with the resolution passed by the House last Thursday giving the Committee on Public Lands authority to make studies and investigations. The gentleman from Michigan [Mr. LESINSKI], chairman of the Labor Committee, asked the Rules Committee for a rule and it was adopted unanimously, giving the Committee on Labor au-

thority to make studies and investigations not only in Washington but throughout the country.

There is no opposition from any member of the Rules Committee to this resolution, but the gentleman from New York [Mr. MARCANTONIO] has requested 5 minutes, which I now yield.

Mr. MARCANTONIO. Mr. Speaker, I cannot refrain from making a comment which I think is relevant to the resolution before us on what occurred a moment ago on the bill that came from the Committee on Labor which excludes longshoremen from the Fair Labor Standards Act. A point of no quorum was strategically made, and it was made for the sole purpose of making it impossible to obtain an automatic roll call.

I just wonder why Democrats do not want to go on record on a labor proposition after they have beaten their breasts in the last campaign telling organized labor how much they are going to fight for it on the floor of this House. Yet we could not even get a record vote. A skillful, strategically skillful, point of no quorum was made at the right time to prevent an automatic roll call and to prevent a record vote.

With regard to the pending resolution, it is nothing new. We had this same resolution in 1947 at the very beginning of the Eightieth Congress that you gentlemen of the Democratic Party so vociferously condemned and which I condemned too. The difference between you and me is that I do not want to repeat what that Congress did, but you are repeating what the Eightieth Congress did and you are repeating it with this particular resolution.

Mr. Speaker, this resolution gives the power of subpoena to the Committee on Labor. Do not tell me you need the power of subpoena for a study. The power of subpoena is the power to destroy.

Why does the Committee on Labor need the power to subpoena? We must examine the resolution in the light of the experience of the last 2 years. The Committee on Labor during the last 2 years used this power of subpoena to do what? We have seen one-man committees making reports condemning labor organizations throughout the length and breadth of this land. We have seen leaders of labor unions yanked down here to Washington under subpoena in the middle of a strike for the purpose of crippling that strike, for the purpose of crippling the legitimate activities of a union.

Oh, you are going to say there is a change in personnel. I do not think that change means much in the light of the fact that this Labor Committee had passed here today a bill taking the longshoremen out from under the protection of the Fair Labor Standards Act.

The issue is fundamental. The issue is that of arming a committee of this House to investigate organized labor and to give that committee the power to subpoena. I opposed that in 1947. In the campaign of 1948 I condemned the Eightieth Congress for doing that. I am going to continue to oppose it and stand by what I said to organized labor in the campaign of 1948. The question that now remains is whether or not you are going to stand by your statements that

you made to the working people in the campaign of 1948.

This is another test. Let somebody now make another point of no quorum so as to prevent an automatic roll call or record vote. Otherwise, I say, let us go on record, and let us be judged by our actions here. Subsequent events will force leaders of labor to regret having offered little or no opposition to this resolution.

Mr. MADDEN. Mr. Speaker, I yield myself 6 minutes.

Mr. Speaker, this legislation is identical—merely a repetition of the resolution that was passed in the Eightieth Congress. I was a member of the Committee on Education and Labor in the Eightieth Congress, and I admit and believe that the so-called investigations during the Eightieth Congress by this committee were entirely too numerous. Nevertheless, rightfully used, I believe the Committee on Education and Labor can contribute a great deal toward settling and clarifying labor-management disputes by the Congress' extending to that committee the power given it under this resolution.

I have a short excerpt from one of the special hearings that was held in Chicago, Ill., on December 22, 1947, by a special labor committee in the last session, Mr. Kersten, a former member of the committee, was sent to Chicago to hold hearings on the printers' strike. I believe that one witness who testified before those hearings has contributed a great deal for this Congress to consider in connection with the repeal of the Taft-Hartley Act. This was the testimony of Mr. John O'Keefe, secretary of the Chicago Newspaper Publishers' Association, who went through almost 18 months of a devastating printers' strike in Chicago. Thousands of members of the International Typographical Union, 97-year-old union, have been out of work for a year and a half and are still out of work, caused by the provisions of the Taft-Hartley Act. Mr. O'Keefe, representing the publishing employers, gave the following testimony under questioning by Congressman Kersten:

Congressman KERSTEN. Up until now and for a great many years past you had a closed-shop agreement, didn't you?

Mr. O'KEEFE. Yes; we did.

Mr. KERSTEN. How did that feature work out in your previous contracts so far as your closed-shop provision of the contract was concerned?

Mr. O'KEEFE. We never even discussed it. It had been there for years and it has remained there.

Mr. KERSTEN. Did you have any real difficulty with it so far as your union—the ITU—is concerned?

Mr. O'KEEFE. We did not. * * * As a matter of fact, most of the Chicago publishers, or all of the Chicago publishers, I would say, would prefer to continue a closed shop if it were legal.

There was one little piece of testimony that came out by reason of these special hearings that will be very valuable for this Congress to consider in connection with the repeal of the Taft-Hartley Act.

Mr. KELLEY. Mr. Speaker, will the gentleman yield?

Mr. MADDEN. I yield to the gentleman from Pennsylvania.

Mr. KELLEY. I was interested in the remarks of the gentleman from New York [Mr. MARCANTONIO] in which he intimated that the subpoena power granted to the Committee on Education and Labor might be used to persecute labor. I believe the gentleman standing before the microphone [Mr. MADDEN] was a member of the Committee on Labor of the Seventy-ninth Congress, when a subcommittee was set up to determine the cause of labor disputes. I had the honor of being chairman of that committee. We had no subpoena power. We invited the National Association of Manufacturers and the United States Chamber of Commerce to send representatives before the committee to testify, and they refused. They refused by saying, "You have enough testimony before your committee that has been accumulated over the years, and you do not need us to testify any more." If we had had the subpoena power, they could not have refused.

Mr. MADDEN. I thank the gentleman from Pennsylvania.

The chairman of the Committee on Education and Labor in appearing before the Committee on Rules stated that he did not intend to use the power given him under this resolution as it was used in the Eightieth Congress, that the hearings would be very limited, and that the expense involved would be about one-tenth of what it cost during the Eightieth Congress.

Mr. Speaker, I now yield 30 minutes to the gentleman from New York [Mr. WADSWORTH].

Mr. WADSWORTH. Mr. Speaker, I have yet received no requests for time on this side of the table and desire none for myself.

Mr. MADDEN. Mr. Speaker, I move the previous question.

The previous question was ordered.

The SPEAKER. The question is on agreeing to the resolution.

The question was taken; and the Speaker announced that the ayes appeared to have it.

Mr. MARCANTONIO. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER. The Chair will count. [After counting.] Two hundred and nine Members are present, not a quorum.

The Doorkeeper will close the doors; the Sergeant at Arms will notify absent Members, and the Clerk will call the roll.

The question was taken; and there were—yeas 331, nays 4, not voting 98, as follows:

[Roll No. 20]

YEAS—331

Abernethy	Bishop	Buchanan
Albert	Blackney	Buckley, Ill.
Allen, Calif.	Bland	Burdick
Andersen,	Blatnik	Burke
H. Carl	Bloom	Burleson
Anderson, Calif.	Boggs, Del.	Burnside
Andrews	Boggs, La.	Burton
Angell	Bolling	Byrne, N. Y.
Arends	Bolton, Md.	Byrnes, Wis.
Aspinall	Bonner	Camp
Auchincloss	Bosone	Cannon
Barden	Boykin	Carlyle
Baring	Bramblett	Carroll
Barrett, Wyo.	Breen	Case, N. J.
Bates, Mass.	Brehm	Case, S. Dak.
Battle	Brooks	Cavalcante
Beall	Brown, Ga.	Chatham
Beckworth	Brown, Ohio	Chelf

Chesney
Chipperfield
Chudoff
Church
Clevenger
Cole, Kans.
Colner
Combs
Cooley
Cooper
Crawford
Crook
Crosser
Curtis
Dague
Davenport
Davis, Wis.
Dawson
Deane
Denton
D'Ewart
Dolliver
Dondero
Doughton
Doyle
Eaton
Eberharter
Elliott
Elston
Engle, Calif.
Evins
Fallon
Feighan
Fellows
Fenton
Fernandez
Fisher
Flood
Fogarty
Ford
Frazier
Fugate
Garmatz
Gary
Gathings
Gavin
Gillette
Gilmer
Golden
Goodwin
Gordon
Gorski, Ill.
Gorski, N. Y.
Gossett
Graham
Granahan
Granger
Grant
Green
Gregory
Gross
Gwinn
Hale
Hall
Hall, Edwin Arthur
Hall, Leonard W.
Halleck
Harden
Hardy
Hare
Harris
Harrison
Harvey
Havener
Hays, Ark.
Hays, Ohio
Hébert
Hedrick
Herlong
Heseltan
Hill
Hinshaw
Hoeven
Hoffman, Ill.
Holtfield
Holmes
Hope
Horan
Howell
Huber
Hull
Irving
Jackson, Calif.

Jackson, Wash.
James
Javits
Jenison
Jenkins
Jennings
Jensen
Johnson
Jones, Ala.
Jones, N. C.
Karsten
Kean
Kearns
Keating
Kee
Keefe
Kelley
Kennedy
Kerr
Kilburn
Kilday
King
Kirwan
Kruse
Kunkel
Larcade
LeCompte
Lemke
Lesinski
Lind
Lodge
Lovre
Lucas
Lyle
Lynch
McCarthy
McConnell
McCormack
McCulloch
McDonough
McGrath
McGregor
McGuire
McKinnon
McMillan, S. C.
McMillen, Ill.
McSweeney
Mack, Ill.
Mack, Wash.
Madden
Magee
Mahon
Mansfield
Marsalis
Marshall
Martin, Iowa
Martin, Mass.
Mason
Meyer
Michener
Miller, Calif.
Miller, Md.
Miller, Nebr.
Mills
Mitchell
Monroney
Morgan
Morris
Morrison
Morton
Moulder
Multer
Murdock
Murray, Tenn.
Murray, Wis.
Nelson
Nicholson
Nixon
Noland
Norblad
Norrell
Norton
O'Brien, Ill.
O'Hara, Minn.
O'Neill
O'Sullivan
O'Toole
Passman
Patman
Patten
Perkins
Peterson
Pfeiffer
Phillips, Calif.

Pickett
Plumley
Poage
Polk
Potter
Poulson
Preston
Price
Priest
Rabaut
Rains
Ramsay
Rankin
Redden
Reed, Ill.
Reed, N. Y.
Rees
Rhodes
Ribicoff
Rich
Richards
Rivers
Rogers, Fla.
Rogers, Mass.
Rooney
Sabath
Sadlak
Sadowski
St. George
Sanborn
Sasser
Scrivner
Scudder
Shafer
Sheppard
Short
Sikes
Simpson, Ill.
Simpson, Pa.
Sims
Smathers
Smith, Kans.
Smith, Va.
Smith, Wis.
Spence
Staggers
Stanley
Stefan
Stigler
Stockman
Sullivan
Sutton
Taber
Tackett
Talle
Teague
Thomas, Tex.
Thompson
Thornberry
Tollefson
Trimble
Underwood
Van Zandt
Vursell
Wadsworth
Wagner
Walsh
Walter
Welch, Calif.
Welch, Mo.
Werdel
Wheeler
Whitaker
White, Calif.
White, Idaho
Whitten
Whittington
Wier
Wigglesworth
Williams
Willis
Wilson, Ind.
Wilson, Okla.
Wilson, Tex.
Winstead
Withrow
Wolcott
Woodruff
Worley
Yates
Young

NAYS—4

Marcantonio O'Konski

NOT VOTING—98

Abbutt
Addonizio
Allen, Ill.
Allen, La.
Andresen,
August H.
Bailey
Barrett, Pa.
Bates, Ky.
Bennett, Fla.
Bennett, Mich.
Bentsen

Biemiller
Bolton, Ohio
Bryson
Buckley, N. Y.
Bulwinkle
Canfield
Carnahan
Celler
Christopher
Clemente
Coffey
Cole, N. Y.
Corbett
Cotton
Coudert
Cox
Cunningham
Davies, N. Y.
Davis, Ga.
Davis, Tenn.
DeGraffenried
Delaney
Dingell
Dollinger
Donohue
Douglas
Ellsworth
Engel, Mich.
Forand
Fulton

Furcolo
Gamble
Gore
Hagen
Hand
Hart
Heffernan
Hoffman, Mich.
Jacobs
Jonas
Jones, Mo.
Judd
Karst
Kearney
Keogh
Klein
Lane
Lanham
Latham
LeFevre
Lichtenwalter
Linehan
Macy
Marrow
Miles
Murphy
O'Brien, Mich.
O'Hara, Ill.
Pace
Patterson

Pfeifer.
Joseph L.
Phillips
Phillips, Tenn.
Powell
Quinn
Regan
Riehlman
Rodino
Scott, Hardie
Scott,
Hugh D., Jr.
Secrest
Smith, Ohio
Somers
Steed
Tauriello
Taylor
Thomas, N. J.
Towe
Velde
Vinson
Vorys
Welchel
Wickersham
Wolverton
Wood
Zablocki

So the resolution was agreed to.

The Clerk announced the following pairs:

General pairs until further notice:

Mr. Tauriello with Mr. Allen of Illinois.
Mr. Dollinger with Mr. Wolverton.
Mr. Furcolo with Mr. Velde.
Mr. Klein with Mr. Canfield.
Mr. Rodino with Mr. Ellsworth.
Mr. Donohue with Mr. Hoffman of Michigan.
Mr. Addonizio with Mr. Towe.
Mr. Hart with Mr. Taylor.
Mr. Clemente with Mr. Riehlman.
Mr. Vinson with Mr. Coudert.
Mr. Keogh with Mr. Cole of New York.
Mr. deGraffenried with Mrs. Bolton of Ohio.
Mr. Forand with Mr. Bennett of Michigan.
Mr. Joseph L. Pfeifer with Mr. Hand.
Mr. Lane with Mr. Patterson.
Mrs. Douglas with Mr. Welch.
Mrs. Woodhouse with Mr. Macy.
Mr. Heffernan, with Mr. Lichtenwalter.
Mr. Quinn with Mr. Latham.
Mr. Powell with Mr. Corbett.
Mr. Murphy with Mr. Jonas.
Mr. Delaney with Mr. Hardie Scott.
Mr. Bennett of Florida with Mr. Hugh D. Scott, Jr.
Mr. Barrett of Pennsylvania with Mr. Smith of Ohio.

The result of the vote was announced as above recorded.

The doors were opened.

A motion to reconsider was laid on the table.

THE FREEDOM TRAIN

Mr. MURRAY of Tennessee. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the joint resolution (H. J. Res. 84) to provide for the acquisition and operation of the Freedom Train by the Archivist of the United States, and for other purposes, with a Senate amendment thereto, and concur in the Senate amendment.

The Clerk read the title of the joint resolution.

The Clerk read the Senate amendment, as follows:

Strike out all after the resolving clause and insert: "That, as a means of focusing the attention of the American people on a re-examination of their heritage of freedom, fostering the preservation of their liberties, awakening their loyalty to the American tradition, and contributing to citizenship training, particularly of Americans of school age, the Archivist of the United States is hereby authorized and directed to acquire

the Freedom Train, and to operate the said train during the period ending July 5, 1951.

"Sec. 2. In carrying out the purposes of this joint resolution the Archivist is hereby authorized—

"(a) to enter into and carry out such agreements with such person or persons, natural or artificial, as may be necessary for the acquisition of the Freedom Train and its equipment, for its operation during the period ending July 5, 1951, and for the disposition of such train and equipment within 60 days after such date; and to make such expenditures, without regard to other provisions of law, as may be required to carry out such agreements;

"(b) to appoint and fix the compensation of such personnel as he deems advisable without regard to the civil-service laws and the Classification Act of 1923, as amended; to secure services as authorized by section 15 of the act of August 2, 1946 (60 Stat. 810), but at rates not to exceed \$40 per diem for individuals; to accept services and facilities without compensation; and, with the consent of the head of any Government department or agency, to utilize or employ the services of personnel or facilities of any such department or agency, with or without reimbursement therefor;

"(c) to obtain printing and binding without regard to section 11 of the act of March 1, 1919, as amended (40 Stat. 1270);

"(d) to purchase or contract for supplies or services (including printing and binding) without regard to section 3703 of the Revised Statutes, as amended;

"(e) to obtain and pay for comprehensive insurance coverage, as he may deem necessary, of other than Government property used in connection with the Freedom Train;

"(f) to acquire by gift, bequest, loan, or otherwise, personal property for the benefit of, or in connection with, the operation of the Freedom Train;

"(g) to cooperate with the governments of the several States and their political subdivisions in promoting the exhibition of the Freedom Train;

"(h) to pay per diem to personnel required to travel in connection with the operation or inspection of the train as follows: To civilian personnel at the maximum rate applicable under existing laws or regulations; to officer personnel of the armed services in accordance with section 12 of the Pay Readjustment Act of June 16, 1942, and regulations pertinent thereto; and to enlisted personnel of the armed services a military allowance in lieu of rations and quarters as provided in Executive Order No. 9871, as amended, and regulations pertinent thereto;

"(i) to pay in cash for any services, supplies, or equipment not exceeding \$50 in cost;

"(j) to purchase, print, mimeograph, multilith, photostat, or produce or reproduce in any known manner, pamphlets, brochures, facsimiles, or other material pertaining to the Freedom Train for free distribution or for sale, the proceeds of such sales to be paid into, administered, and expended as a part of the National Archives Trust Fund;

"(k) to prescribe such rules and regulations as he may deem necessary for the operation of the Freedom Train.

"Sec. 3. The Secretary of Defense is hereby authorized and directed to provide a security detachment for the protection of the Freedom Train.

"Sec. 4. A commission is hereby created and established, to be known as the 'Freedom Train Commission,' to consist of the President pro tempore of the Senate, the Speaker of the House of Representatives, the minority leader of the Senate, the minority leader of the House of Representatives, the chairmen of the Senate and House Committees on Post Office and Civil Service, the Attorney General of the United States, the Librarian of Congress, the Archivist of the United States, and five members to be appointed by the President. The members of the said Commission

shall serve during the period the Freedom Train is in operation, and for 6 months thereafter. Such members shall serve without compensation, but shall be reimbursed for travel, subsistence, and other necessary expenses incurred by them in the performance of the duties vested in the Commission. The Commission shall elect one of its members to serve as chairman.

"Sec. 5. The Commission shall advise on and consent to the plans and publicity formulated by the Archivist and submitted to it for exhibiting the Freedom Train, and with respect to its itinerary."

"Sec. 6. There is hereby authorized to be appropriated, out of any money in the Treasury not otherwise appropriated, such sums as may be necessary to carry out the provisions of this joint resolution, not to exceed \$2,500,000 for the period ending July 5, 1951."

The SPEAKER. Is there objection to the request of the gentleman from Tennessee?

Mr. MARTIN of Massachusetts. Reserving the right to object, Mr. Speaker, will the gentleman explain the Senate amendment?

Mr. MURRAY of Tennessee. There are only two minor changes made in the legislation by the Senate. One of the changes is that the House bill provided a limit on expenditures for the acquisition and operation of the Freedom Train of \$3,000,000. The Senate reduced that amount to \$2,500,000, a reduction of \$500,000.

The other is a minor one. The House bill, as passed by this body, provides that the Freedom Train Commission should give approval to all plans formulated by the Archivist for operation of the train. The bill passed by the other body provides that the Freedom Train Commission shall consent to the plans of the Archivist which means virtually the same as the language of the House bill. Those are the only two changes in the bill.

Mr. MARTIN of Massachusetts. Did the gentleman consult in the bringing up of the legislation today with the ranking minority member of the committee, the gentleman from Kansas [Mr. REES]?

Mr. MURRAY of Tennessee. I have, and he agrees with me that we should agree to the Senate amendments.

The SPEAKER. Is there objection to the request of the gentleman from Tennessee [Mr. MURRAY]?

There was no objection.

The Senate amendments were concurred in.

A motion to reconsider was laid on the table.

EXTENSION OF REMARKS

Mr. KIRWAN (at the request of Mr. LANSFIELD) was given permission to extend his remarks in the RECORD and include an address by Secretary of the Interior, Hon. Julius Krug, on February 2, 1949.

Mr. MULTER asked and was given permission to extend his remarks in the RECORD in three instances and include extraneous matter.

Mr. GWINN (at the request of Mr. WADSWORTH) was given permission to extend his remarks in the RECORD and include a statement.

Mr. BATES of Massachusetts asked and was given permission to extend his remarks in the RECORD and include an address by Hon. JOHN F. KENNEDY, in Salem, Mass.

Mr. COOLEY asked and was given permission to extend his remarks in the RECORD and include an address delivered by Secretary of Agriculture, Hon. Charles Brannan, in New York, on January 31, 1949.

Mr. JENSEN asked and was given permission to extend his remarks in the RECORD and include a statement by a gentleman from Fontanelle, Iowa.

AUTHORIZING REGIONAL AGRICULTURAL CREDIT CORPORATION TO MAKE CERTAIN DISASTER OR EMERGENCY LOANS

Mr. LYLE. Mr. Speaker, by direction of the Committee on Rules, I call up House Resolution 110 and ask for its immediate consideration.

The Clerk read the resolution, as follows:

Resolved, that immediately upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H. R. 2101) to authorize the regional Agricultural Credit Corporation of Washington, District of Columbia, to make certain disaster or emergency loans and for other purposes. That after general debate, which shall be confined to the bill and continue not to exceed 1 hour, to be equally divided and controlled by the Chairman and ranking minority member of the Committee on Agriculture, the bill shall be read for amendment under the 5-minute rule. At the conclusion of the consideration of the bill for amendment, the Committee shall rise and report the bill to the House with such amendments as may have been adopted and the previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit.

Mr. LYLE. Mr. Speaker, I am pleased to yield half of that time to the gentleman from New York [Mr. WADSWORTH]. I now yield myself such time as I may require.

This resolution makes in order the immediate consideration of H. R. 2101, unanimously reported by the Committee on Agriculture. The primary purpose of H. R. 2101 is to remove certain restrictions now in effect on the use of funds of the Regional Agricultural Credit Corporation so that loans will be immediately available to the farmers and ranchers who have suffered and are suffering unprecedented hardships as the result of storms over a great portion of the Western States. The report of the Committee on Agriculture is an excellent one and, I think, reveals the necessity for this action. The people of that great section of our country have the heartfelt sympathy of every member of this House and we are anxious that every effort be made to assist them in every way possible.

Mr. WADSWORTH. Mr. Speaker, it is not my intention to use anything like the 30 minutes that have been yielded to me. The rule presented to us is the normal rule. I understand there is no opposition to the adoption of the rule. If the rule is adopted, I want to say, however, that I have a certain clarifying amendment to offer to the bill itself.

Mr. Speaker, there are no requests for time on this side and I yield back the remainder of my time.

Mr. LYLE. Mr. Speaker, I move the previous question.

The previous question was ordered.

The SPEAKER. The question is on the resolution.

The resolution was agreed to.

Mr. COOLEY. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H. R. 2101) to authorize the Regional Agricultural Credit Corporation of Washington, District of Columbia, to make certain disaster or emergency loans and for other purposes.

The motion was agreed to.

Accordingly, the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the bill H. R. 2101, with Mr. HAYS of Arkansas in the chair.

The Clerk read the title of the bill.

By unanimous consent, the first reading of the bill was dispensed with.

The CHAIRMAN. Under the rule, the gentleman from North Carolina [Mr. COOLEY], is recognized for 30 minutes; and the gentleman from Kansas [Mr. HOPE], is recognized for 30 minutes.

Mr. COOLEY. Mr. Chairman, I yield to the gentleman from Ohio [Mr. HUBER].

Mr. HUBER. Mr. Chairman, I ask unanimous consent to proceed out of order and to revise and extend my remarks.

The CHAIRMAN. Is there objection to the request of the gentleman from Ohio?

There was no objection.

Mr. HUBER. Mr. Chairman, the national winners in the second annual Voice of Democracy Contest for the best 5-minute broadcast scripts on the subject Speak for Democracy, sponsored by the National Association of Broadcasters, the United States Junior Chamber of Commerce, and the Radio Manufacturers Association, as a feature of National Radio Week, are today visiting Washington and at this moment are guests in the House Chamber. I am especially proud that one of the winners, Richard Caves, hails from my home district. He is a resident of Everett, Ohio, is 17 years old and a senior at Bath high school.

I feel that we, as legislators, could profit by giving close examination and attention to the essays of these young men, and I take pride in inserting in the permanent RECORD of the Congress of the United States the prize-winning essay of Richard Caves of Everett, Ohio:

The democracy of America has trod a difficult path. Through strife it came into its own and several times since 1775 blood has been spilled in its name. Democracy has stood its trial by fire but now it faces a new test—its trial by jury. Yes, democracy is on trial for its life. The courtroom is crowded, for interest in the case is high. In the box the jury listens intently. Chinese, French, Italians, Brazilians, Greeks, Indonesians, Americans, who will decide upon the fate of democracy.

The prosecutor is summing up his case now. The jurors hang upon his every word. He says that democracy is superficially fine, and idealistically perfect, but a certain human

factor condemns it, for survival of the fittest, rather than cooperation, is still man's deepest instinct. To build the modern, mechanized, mass-production super state, there must be cooperation, and force must maintain it at all times.

Cooperation, not America's strikes and dickering. He goes on to say that the common people are incapable of governing. Rather there must be one ruler who can see the complexities of a modern civilization. So, he says, democracy is outmoded as a form of government. He concludes—how can a man help rule a million others when he cannot rule his own home?

Now, the spotlight switches to you—for you are the attorney for the defense. You are pleading for democracy—on trial for its life. You begin your case by saying that civilization is still a little more than cold steel and columns of figures. You call that little more "humanity." That is, there is something about man which entitles him to happiness and glory more personal than that of nations. Democracy is thus founded on man, the individual, rather than man, the machine.

Man, the individual, who lives where he wants to, does what he wants to, reads what he wants to. Man, the individual, who argues in the corner barber shop against his own government and wakes up in his own bed the next morning. Man, the individual, who through his chosen representatives, makes the laws he lives by. Perhaps man is not the perfect ruler of his nation's destiny, since man himself is not perfect.

It is folly to expect it. He is sometimes lazy in governing, sometimes lax, but his chosen representatives can, through the years, come up with the right answers quite regularly. For in a democracy one man's defects are canceled by another man's virtues, while totalitarianism magnifies one man's faults a million times over.

You've given the jury the facts on democracy, but there is still something they don't know about it—something you yourself cannot classify. Perhaps it's something in men's eyes—democracy buoys up a man's soul, democracy heals over old scars, covers up old wounds. It has moulded the dregs of bitter Europe into a new pattern of righteousness and faith in a flaming ideal.

Somehow, your case for the defense still lacks. You are facing an opponent who is a realist, who puts different values on human life and human enterprise. So you put things real and tangible upon exhibit—great auto factories in Detroit, steel mills in Pittsburgh, rubber plants in Akron, planes in the sky, ships on the sea, coal mines, skyscrapers, the greatest in the world—monuments to democracy.

And though it is naught to take pride in, democracy has won two great wars. There is the realism and the idealism—the case now goes to the jury. If the jury listens carefully, you know the battle is won for democracy.

Mr. COOLEY. Mr. Chairman, I yield briefly to the gentleman from North Carolina [Mr. JONES].

Mr. JONES of North Carolina. Mr. Chairman, I am very proud of these boys, one of whom is Charles Kuralt, of the Central High School, of Charlotte, N. C. He is one of the winners. He is just 14 years old, and is son of the superintendent of welfare in our county. He has written a very interesting script, and I ask permission to extend it in the Record, and would like for the Members to read it. We are very proud of this young man in North Carolina, and I am especially so because he comes from my congressional district.

We, the people of the United States, the Constitution talking, the United States Con-

stitution, bulwark of the greatest democracy on earth. We, the people, ruling ourselves, running the Government. We the people, 48 States, one Nation. We the people, thousands upon thousands of common men. We made this Nation—a land where anyone, anything, any idea can grow, unchained and free.

Great things have been said and written about this thing called democracy, but democracy is more than a written word or a spoken phrase. It is men created equal. Democracy is very evident. It is written in the faces of immigrants, the people who gave up homes in the old country to try out something new and wonderful. It is written in the very hills and plains that have produced men like Abraham Lincoln. It is written in our lives—our brothers and ourselves, growing up with a chance.

We hold these truths to be self-evident, that all men are created equal. That they are endowed by their creator with certain unalienable rights, that among these are life, liberty, and the pursuit of happiness—and freedom of thought and speech and from want and fear. Inalienable rights guaranteed in this democracy.

Inalienable right number one is life—something men have cherished from the beginning of the earth, a free life, unfettered by government interference. It's what Americans fought for at Lexington and Bunker Hill and New Guinea and the Solomons. But they were fighting for something more.

Something that we will call inalienable right number two—liberty. That's a big word in the American language—it's the first cousin of another big word—freedom. Liberty is guaranteed in America. It flourishes here as in no other country in the world. The unknown little man mounting to his soap box to speak his piece about how the country ought to be run. The editor of a small-town daily writing as he pleases, condemning or commending the administration freely. The little group of Mormons or Quakers or Jews worshipping God in their own way. The scientist free to search for truth, and the educator free to teach it.

Liberty and freedom and democracy—big words in the language of a people. We take them for granted, they are ours. They build the third inalienable right championed by Thomas Jefferson—the pursuit of happiness. People living everywhere, looking for a good life. People in little towns with funny names, people in the metropolis living beside the water or the highway, looking for a good life.

One people—all races, all stocks. Simple people, but easy to rile up if you talk about taking away their freedom. We know what freedom is in America, and democracy—don't tread on us. It's produced great men—this democratic government, this youngest of the earth's powers—great names like George Washington, and Thomas Jefferson, and F. D. R., and Babe Ruth. And in song and in prose, the men it has produced have expressed their views of the Nation's politics. James Russell Lowell called a democracy a place where every citizen has a chance and knows he has it.

Woodrow Wilson said he believed in democracy because it releases every one of man's powers, and James Pike, putting it into the word of the Louisiana Negroes, said the same thing, in a different way.

"Freedom," he said, "is a patient word, as full of the Fourth of July as skyrockets and roman candles. Freedom is a word, a real showboat word, \$8 long and \$4 wide."

And so that is my case—I give you democracy—not a word, not essentially a type of government. It is warm rain on Georgia, sun shining on Key West. It's wind blowing over a Texas prairie, snow-capped Massachusetts' hills, the sound coming up from the streets of Manhattan, waves roaring in on California's coast. The names of Michi-

gan and Maryland, of Virginia and Rhode Island and North Carolina. Covered wagons rolled West, with democracy for a dream.

Democracy is a way of life, a living thing, a human thing comprised of muscles and heart and soul. I speak for democracy, and men who are free and men who yearn to be free speak with me.

Mr. COOLEY. Mr. Chairman, I yield briefly to the gentleman from Minnesota [Mr. McCARTHY].

Mr. McCARTHY. Mr. Chairman, I join with the gentleman from Ohio [Mr. HUBER] and the gentleman from North Carolina [Mr. JONES] in congratulating the sponsors of this very fine contest.

I wish especially to congratulate Mr. Kerron Johnson, a student at the Wilson High School, in St. Paul, Minn., one of the four winners in this contest.

When we get back in the House I shall ask unanimous consent to extend Mr. Johnson's script in the Appendix.

Mr. COOLEY. Mr. Chairman, I yield briefly to the gentleman from Kansas [Mr. HOPE].

Mr. HOPE. Mr. Chairman, one of the winners of the Nation-wide contest "Voice of Democracy" comes from the congressional district which I have the honor to represent. I refer to George Morgan, Jr., of Hutchinson, Kans.

I have had the pleasure of reading the script submitted by Mr. Morgan, and I shall, at a proper time, ask unanimous consent to have the same inserted in the Appendix of the Record.

I want to commend the National Association of Broadcasters and cooperating organizations for sponsoring this great contest, which has, in my opinion, done much to stimulate interest in democracy and greater love for our country, and its form of government.

Mr. COOLEY. Mr. Chairman, I yield 5 minutes to the gentleman from Utah [Mr. GRANGER].

Mr. GRANGER. Mr. Chairman, the Regional Agricultural Credit Corporation was established by Congress in 1932, with the broadest possible loaning powers. Under the act of July 21, 1932, establishing the RACC, it was authorized and empowered to make loans or advances to farmers and stockmen, the proceeds of which are to be used for an agricultural purpose—including crop production—or for the raising, breeding, fattening, or marketing of livestock, to charge such rates of interest or discount thereon as in their judgment are fair and equitable, subject to the approval of the Farm Credit Administration.

Note that the only limitation upon the loaning authority conferred by this statute is that loans shall be made to farmers or stockmen, and that they shall be used for an agricultural purpose. Although this was recognized as an emergency-loan program, there was no requirement for certification that loans were not otherwise available to the applicants, nor was there any mention whatever in the statute of the type of security, if any, which should be obtained by the Government in making its loans.

Under this broad authority, more than \$331,000,000 was loaned to farmers throughout the United States for general agricultural purposes. By June 30, 1947, almost \$329,000,000 of these loans had

been repaid, leaving at that date a net loss on this whole program of only eight-tenths of 1 percent of the money advanced.

The loan authority contained in this bill, H. R. 2101, restricts very sharply the authority contained in the basic RACC legislation. In contrast to the almost unlimited authority originally conferred, this bill limits the authority to make loans to areas or regions where the forces of nature have caused an agricultural disaster, and limits the loan recipients to farmers who have suffered such a production disaster or other economic emergency.

The loan program we are now authorizing will be administered by the same agency which made and collected the loans under the broad basic authority previously referred to. Some of the same men who directed that program will direct this one. It is reasonable to assume that the agency and the men which made loans under unlimited authority so carefully that all but eight-tenths of 1 percent of them have been repaid will administer this emergency program with equal ability and prudence.

On the other hand, we are not proposing to set up here a hard-credit program. The farmers who have suffered the ravages of this winter's storms are, many of them, in a desperate situation. They need soft credit, the kind which the Government alone is in a position to extend and the kind which the RACC was established to extend and did extend for many years under its original loaning authority.

It would not be necessary for the Congress to pass this emergency bill at this time except for restrictions on the RACC loaning authority written into the Department of Agriculture Appropriation Act of 1948, which drastically limit purposes to which RACC funds could be put, and incorporated a restriction imposing conditions which would make it impossible to give relief to the farmers in the storm areas under the present law.

Here is the condition imposed by the Agriculture Appropriation Act:

All loans and advances made pursuant to this section will carry the full personal liability of the borrower (shall be secured by crops or livestock and such additional collateral as is deemed necessary to afford reasonable assurance of repayment) and will be accompanied by a certificate of refusal of the loan or advance by a local bank or the production credit association serving the area.

The language in the appropriation act authorizes loans in "a specific area or region in which the Secretary of Agriculture shall have found that such loans for specified agricultural purposes and for limited time periods are necessary because of economic emergencies or production disasters."

All we have done in this legislation is to continue the same authorization for loans contained in the present act, and to remove the restrictions I have just read to you which would make it impossible to apply the program to the storm areas.

The amount involved in this bill is only about \$44,000,000. This may or may not be adequate to do the job and to meet what I consider to be the responsibility

of the Federal Government for helping our fellow citizens in the storm areas. With the United States using billions of dollars to help the citizens of other countries who are faced with economic emergencies—an objective of which I thoroughly approve—it seems to me that we can afford to deal as generously with our own farmers as this bill proposes to do.

Mr. MANSFIELD. Mr. Chairman, will the gentleman yield?

Mr. GRANGER. I yield to the gentleman from Montana.

Mr. MANSFIELD. I would like to bring to the attention of the House the fact that the most difficult period as far as we in the West are concerned is ahead of us. Of course, we have lost a lot of cattle and sheep so far, but we are going to have a disaster when the spring floods come and the snows which are in the hills start to flow down. This winter the frost has gotten down so deep that there is very little possibility of the ground taking any of the water off. This means that in practically every Western State there will be an emergency. I strongly urge that the bill introduced by the gentleman from Utah be enacted into law in time so that we can take care of our people out there.

Mr. GRANGER. I thank the gentleman for his fine statement.

The CHAIRMAN. The time of the gentleman from Utah has expired.

Mr. COOLEY. Mr. Chairman, I yield the gentleman from Utah five additional minutes.

Mr. LEMKE. Mr. Chairman, will the gentleman yield?

Mr. GRANGER. I yield to the gentleman from North Dakota.

Mr. LEMKE. The purpose of this legislation is to help these farmers in the present emergency the same as we have done in the past in connection with floods, storms, earthquakes, and so forth through the Reconstruction Finance Corporation, is it not?

Mr. GRANGER. That is right.

Mr. LEMKE. The result of this emergency is of the same nature. It is just excessive snow in the place of excessive rain or water.

Mr. GRANGER. The gentleman is correct.

Mr. GOLDEN. Mr. Chairman, will the gentleman yield?

Mr. GRANGER. I yield to the gentleman from Kentucky.

Mr. GOLDEN. Would this be made available to people who suffered a flood disaster and would it permit those individuals to participate in these loans?

Mr. GRANGER. I think it would. This present legislation narrows a little the authority the Secretary had under the original law, but if a flood were great enough in character and widespread enough the Secretary could declare it was an area subject to relief under the provisions of this bill.

Mr. JENNINGS. Mr. Chairman, will the gentleman yield?

Mr. GRANGER. I yield to the gentleman from Tennessee.

Mr. JENNINGS. It strikes me that this disaster is not only local, it is Nationwide; it affects the price people will pay for food all over the country. Then, in

addition to that, it is a manifestation of that unity that exists among all the people of this country. This is our common country, and, while I live down in a border State, adjoining the South, where we do not have snows and ice like that, we are heartily in accord with the purpose of this resolution and I hope that it passes unanimously.

Mr. GRANGER. I thank the gentleman.

Mr. O'KONSKI. Mr. Chairman, will the gentleman yield?

Mr. GRANGER. I yield to the gentleman from Wisconsin.

Mr. O'KONSKI. So far mention has been made of excessive snow and rain. Likewise this bill could be made to apply, if it becomes law, to a drought-stricken area if that should prove to be a disaster?

Mr. GRANGER. It could if it were proven to be a disaster and the Secretary would so declare that it was in a disaster area; yes. I do not think there is anything complicated about this legislation; it served a good purpose in the last emergency and will do so in this one.

The CHAIRMAN. The time of the gentleman from Utah has expired.

Mr. HOPE. Mr. Chairman, I yield 5 minutes to the gentleman from Wisconsin [Mr. MURRAY].

Mr. MURRAY of Wisconsin. Mr. Chairman, just to keep the record straight, the history of the Regional Agricultural Credit Corporation in making these \$400,000,000 in loans has been very satisfactory. These loans have been paid back nearly in full, and it was the only money I know of that Uncle Sam invested that he ever collected at that time.

The situation was changed a little during the war so far as these nonrecourse loans were concerned. They were made for a definite purpose. These soft loans we hear about were made as a means of increasing production at that particular time. The reasoning behind that was that whereas the large operator might be able financially to take care of his own needs, we did have thousands upon thousands, if not millions, of small farm operators who were not in a credit position to extend their production on their farms. That is the reason those soft loans were made during that time, on which there has been some loss. But that has nothing to do with the over-all picture. That was the reason why the organization was criticized, because of the soft loans, even though the Congress itself authorized the nonrecourse loans to be made. If anyone is interested enough to look at the hearings and discussions here on the floor of the House at that time, he can see that it was understood that they were nonrecourse loans, and that they were being made under war conditions, not under normal conditions. Food production was increased.

The loans proposed at the present time under the bill introduced by our distinguished colleague the gentleman from Utah, the Honorable WALTER GRANGER, on the face of it, are not going to be nonrecourse loans. They are going to be loans made with the expectation that the people will pay them back.

These disaster loans apply not only so far as this part of the United States is concerned that is suffering as a result of the weather conditions, snow and rain, and the floods that may go along with them, but I think it should be perfectly clear that this applies in districts that may be subjected to other hazards of nature, like droughts, that have a way of cropping up in certain sections of the country every year.

If you will notice in the report, a little mention is made of the fur-farming industry. This is the organization that is trying to do something, because those people found themselves in an emergency. When \$238,000,000 worth of furs were dumped on the fur market of this country in 1 year, 1946, you are liable to cause some dislocation in an industry like the fur industry. This organization today is in a position under this legislation to come to the aid of the fur farmers of this country and they have done so.

Mr. O'KONSKI. Mr. Chairman, will the gentleman yield?

Mr. MURRAY of Wisconsin. I yield to the gentleman from Wisconsin.

Mr. O'KONSKI. The gentleman, coming from my State, knows of the acute drought situation in northern Wisconsin last year. I introduced legislation similar to this in the last session of Congress, but by the time the Department of Agriculture got to make any kind of a recommendation the special session adjourned and nothing was done.

Can I be reasonably assured that as a result of this bill I need not pursue the passage of my bill, that this will be adequate to extend so-called soft loans to the farmers in drought-stricken areas, if, after the Department of Agriculture makes an investigation, it finds that it meets the specifications of the bill? Am I correct in that assumption?

Mr. MURRAY of Wisconsin. I would say yes, in direct answer to the gentleman's question. I rather doubt if the Secretary of Agriculture would like to have us say that it is a nonrecourse loan when it is made. To be fair I call the gentleman's attention to the fact that during the past few months in his district and all over the State of Wisconsin and many other places in the United States some attempt was made to take care of that drought situation in the allocation of millions of bushels of potatoes in those drought-stricken areas, which, regardless of the potato program, made it possible to feed thousands and thousands of head of cattle. It has been a great help to the people in those particular situations.

Mr. O'KONSKI. That is correct. It alleviated a very tragic situation.

Mr. HOPE. Mr. Chairman, I yield 5 minutes to the gentleman from Nebraska [Mr. MILLER].

Mr. MILLER of Nebraska. Mr. Chairman, I have received from 5 to 15 letters, from every one of the 38 counties in the district I represent in Nebraska, on this problem of storm losses. There are more cattle in the fourth district of Nebraska than in any other district in the United States. These letters were in reply to my request asking for answers to the following questions:

First. What is the present loss of livestock in your county?

Second. What is the anticipated future loss?

Third. Will financial assistance be needed from some Federal agency, or can the local banks carry the load?

I desire to sum up, briefly, some of the reactions from these letters.

All seemed agreed that the recent storms, beginning in November, and running up to the present time, have been the most severe the territory has ever had. Their over-all losses of livestock in the 38 counties to date will be near 5 percent. There are some individual farmers who do not have available feed, or means of reaching it, who have suffered as much as 40 percent loss. The ranchers, who still had old Dobbin on the ranch, and used him instead of the modern tractors, were able to move feed to the cattle much easier than with the modern equipment. The hay that was piled up in windrows was hard to reach. The rancher who had his hay stacked and was able to reach the feed had smaller losses.

There was a general feeling of satisfaction with the work that the Army and other Federal agencies did in opening the roads. If it had not been for the heavy equipment and assistance from this source, there would have been much heavier losses in livestock and perhaps additional loss of human lives. There was a general note of praise, good feeling, and hospitality toward the men doing this work.

The future losses will depend entirely on future weather conditions. The cattle have lost a tremendous amount of weight. Many are in weakened condition, and a wet, cold storm in March or early April could cause not only a big loss of cows, but a large reduction in the calf crop. It is necessary to feed heavily until grass comes.

There has been a general complaint that the cost of hay and feed has skyrocketed. The cost of hay ranges from 30 to 55 dollars a ton. In many instances it has been difficult to move the hay where it is most needed. Hay has been shipped from as far as Topeka, Kans. The freight rates and other costs naturally add to the expense to the rancher.

It was generally agreed that in most instances the local banks could carry the needed financing. A few letters indicated that the small operator, and the GI who was just getting started, might need some assistance at the Federal level. They felt the local banks might not be able to carry some of this group. These loans should only be made when a local bank is unable to handle the situation. The ranchers and farmers of Nebraska are rugged individualists. They generally solve their own problems at the local level.

Most of the farmers and ranchers were more concerned about the lowering of the price of their livestock and farm products. This has really hurt them far more than the loss from the storm. There is great concern about the price of agricultural products, for what affects the farm prices affects all of us. It has been demonstrated many times that when farm income falls, then the Na-

tion's income falls by a ratio of \$7 to \$1 for agriculture. If this downward trend in prices of agricultural products continues, it will have a disastrous effect upon our national economy. It looks like the farmer, because of new wage increases, might even pay higher prices for farm machinery, shoes, clothing, and other things he must have. If this is true, he will certainly pull in his horns and not buy anything more than he absolutely needs.

Mr. Chairman, I am absolutely convinced that the decreased income to farmers means decreased business for every one of us. Even in prosperous times, there are limits to what the farm family, which is the largest consuming unit in America, can pay for taxes, labor, manufactured products, and other things he needs for his business.

Mr. Chairman, I understand the \$44,000,000 provided in this measure does not call for additional appropriations—that the money is part of the old RACC funds. The evidence shows that the cattle and sheep losses were much heavier in Wyoming, Nevada, and Utah, and that some of the smaller ranchers are unable to get help at the local banks. It is for that reason I support this measure.

Mr. GRANGER. Mr. Chairman, will the gentleman yield?

Mr. MILLER of Nebraska. I yield.

Mr. GRANGER. I join with the gentleman in the commendation of the Army since they have been condemned here in Washington by some sources for the things that they have done. I join with him in saying that they have done a remarkable job. There would have been more distress and more disaster if the Army had not moved in as vigorously as they did.

Mr. MILLER of Nebraska. That is absolutely right. I have had high praise from every section on the work that the Army did and also what individuals did by pitching in and helping.

They did a great deal, and, if it had not been for them, there would have been much greater loss in livestock and even in human lives.

The CHAIRMAN. The time of the gentleman from Nebraska has expired.

Mr. HOPE. Mr. Chairman, I yield 3 minutes to the gentleman from Wisconsin [Mr. HULL].

Mr. HULL. Mr. Chairman, the general purpose of this legislation is pretty well understood, I believe. The storm in the Western States attracted national and even international attention. Some features of this measure, however, are broad enough to cover other disasters in farming sections. Last summer we had a drought in certain counties of western and northern Wisconsin. The gentleman from the Tenth District [Mr. O'KONSKI] has mentioned that disaster on the floor of the House. That drought continues to have its effect on the farmers who are largely engaged in dairying. In the two large districts where they suffered the drought, and in which there was an almost complete failure of the hay crop, there are probably several hundred thousand dairy cows. Ever since last August, the farmers have been buying hay at \$30 to \$40 a ton in order

to carry the cows through to another season and keep up their production of milk. Unless something is done which will enable the dairymen to meet the situation, some of these farmers, at least, are going to have to sell off their cows and thus will reduce the output of the dairy products in that section of the State. I think certain counties in Minnesota are similarly affected.

This morning I received a telegram which sets forth the situation quite fully, so far as my own congressional district is concerned. I would like to read it into the RECORD. It is as follows:

CHIPPEWA FALLS, WIS., February 19, 1949.
CONGRESSMAN MERLIN HULL,
Washington, D. C.

The Wisconsin Farmers' Union, in annual convention at Eau Claire, today voted unanimously for a program which will enable farmers in drought-stricken counties of Wisconsin to borrow money to buy livestock feed to carry their stock through this winter. Said program to apply only to farmers who cannot get credit elsewhere. The situation is desperate and requires immediate attention because hundreds of farmers are running out of hay and credit and cannot borrow money from local banks or any other loaning agency, either public or private. The Farmers' Home Administration which serves this area is unable to relieve the situation because of insufficient funds.

WISCONSIN FARMERS' UNION.

That telegram sets forth the situation quite fully so far as that particular area is concerned.

I think it is time the Congress passed some general act of this kind, not only to relieve the storm-stricken districts of the West, but also to provide for other emergencies which may occur in the future. This bill is broad enough to give the Secretary of Agriculture power to use his various departmental agencies for such relief purposes.

The farmers are not asking for gifts, and are not asking for grants. The sum totals of the loans which they would obtain are small compared to the relief which has been furnished to numerous foreign countries for relief from disaster, and which will never be repaid.

This bill should promptly pass, and the credit facilities it provides for should be immediately made available.

Mr. COOLEY. Mr. Chairman, I yield 2 minutes to the gentleman from Arkansas [Mr. HARRIS].

Mr. HARRIS. Mr. Chairman, I have asked for this time in order to have for the RECORD a definite understanding as to the coverage with reference to kinds of disasters and emergencies. I have the greatest sympathy, of course, for the tragic experience in the West to which apparently the greater part of this resolution is directed. Recently, as frequently happens to the South, the Southwest, and other sections of the country, there was a tragic and terrible tornado that struck my district in which some 56 people were killed and about 175 or more injured. In Warren, Ark., alone, several hundreds houses were destroyed. In the outlying agricultural area a number of farm homes were destroyed and some people killed, and there were very tragic results. I wish to have the record clarified here as to whether this bill is broad enough to cover the tornado disaster too?

Mr. COOLEY. I assume that if the disaster affects farms or farming, it would be.

Mr. HARRIS. That is what I want to know; if it could be extended to the farmers in the county down in Louisiana who suffered tragic loss because of the tornado and need help, then the Secretary of Agriculture could, after examining the experience, direct that certain funds be allocated to take care of that tragic loss?

Mr. COOLEY. I think the gentleman is correct.

Mr. HARRIS. I thank the gentleman.

Mr. COOLEY. Mr. Chairman, I yield 1 minute to the gentleman from California [Mr. DOYLE].

Mr. DOYLE. Mr. Chairman, in connection with the absolute necessity of their being some available relief to the farmers of my native State of California as a result of the most terrible recent freeze there, I filed in this House House Joint Resolution 155. It was almost identical in text with the bill today before us, H. R. 2101, and I received written communication from the administrative department concerned. So, I am very happy that our distinguished colleague the gentleman from Utah [Mr. GRANGER] introduced H. R. 2101 and that it now appears that it should pass this Committee unanimously.

Freezing weather in Los Angeles County, Calif., and other counties in southern California, is literally almost unheard of; so that I wish to urge to your attention and have the record speak clearly that it is the intention of the author of this bill and of the committee in charge thereof, to wit, the Agriculture Committee of this House, that the relief provided for in this bill—H. R. 2101—is also applicable to the needs of the citrus growers and farmers in southern California and also the cotton growers in California and all others engaged in agricultural production who have suffered disaster on account of the forces of nature having caused them to have disaster or emergency losses.

The report of the Committee on Agriculture itself, on page 1 thereof, in paragraph 2, calls attention to the fact that, "since the middle of December, storms of unprecedented fury have swept, one after another, across the Western States from Washington and Nebraska, frequently extending as far south as California, Arizona, New Mexico, and Texas."

This language, therefore, expressly includes the State of California.

And in paragraph 2, on page 2, the same report says:

There is an urgent and immediate need for credit to be made available to farmers in the affected area who cannot obtain from their present sources of credit the money they need for feed and other farm operations; but who, with such financial assistance, will have a reasonable prospect of repaying their loans.

Then on page 3, in the letter dated February 9, 1949, to the distinguished chairman of our Committee on Agriculture, Charles F. Brannan, Secretary of the Department of Agriculture, in part, said:

The joint resolution would empower the Secretary of Agriculture to authorize the

Regional Agricultural Credit Corporation of Washington, D. C., to enter any area or region where the forces of nature have caused an agricultural production disaster and make loans or advances to farmers and stockmen. * * *

This joint resolution would enable the Secretary of Agriculture to make available, through the Regional Agricultural Credit Corporation, loans to farmers and stockmen in areas stricken by natural disaster. The joint resolution was designed primarily to make credit available to farmers and stockmen in the western range area * * * and similarly to make credit available to farmers in California and other areas of the Southwest where the recent freeze caused great damage to fruit and other crops.

Therefore, I take it that there is no contradiction of my statement that it is the intention of Congress that the farmers in California, where there has been this great, disastrous damage from the recent freeze, shall be also included in the group who shall have the right and opportunity to make application, so far as they may desire, and can prove their need, to be benefited by the terms of this beneficial bill.

The history of all such beneficial legislation to the people of our country where disaster has held sway from the forces of nature proves that almost 100 percent of such loans are, in time, repaid.

While, naturally, it is to be hoped that the results of the freeze in California are not nearly as extensive as it first appeared, it is, nevertheless, imperative that, to the extent to which Federal assistance and aid may be required, such Federal aid and assistance shall be available to California farmers deserving and needing the same in like manner as Federal aid and assistance is available to farmers or stockmen in any other State suffering disaster from the forces of nature. I feel sure that the farmers of California engaged in citrus culture or any other agricultural pursuit will not ask Federal aid and assistance except in dire need and as a last resort. No doubt the State of California itself will make some reasonable aid available at the earliest possible date; but it is good to have this buttress of additional resources, for those in need, available.

Immediately after the disaster I was appointed one of a subcommittee of the California delegation, in a caucus, to look into the subject matter of ways and means in which the Federal Government might logically and legally assist if the need arose. And this subcommittee of the California delegation, of which I am a member, was immediately active and continuously active in the premises. I immediately got in touch with sources of information in my native State and am pleased to say that my present report is that probably the damage from the disastrous freeze to citrus and other California crops will not be as extensive as previously estimated. However, the nature of the citrus crop and industry is such that the total damage cannot be ascertained, in all likelihood, for many months or even longer.

Mr. HOPE. Mr. Chairman, I yield 2 minutes to the gentleman from Nebraska [Mr. STEFAN].

Mr. STEFAN. Mr. Chairman, I am glad this bill is up for consideration today. I favor it, but I am afraid it does

not go far enough, because following this terrible snow disaster in the Middle West and other States the danger of flood is at their doorstep right now. This bill will be of inestimable value to feeders in my district who have lost all the way from \$50 to \$100 per head in the price of their livestock.

The purpose of this bill is to enable the Department of Agriculture to provide immediate loan assistance to farmers of all types who have suffered from the effects of the unprecedented storm conditions throughout the western United States, as well as to provide basic authority for meeting production disasters or other extraordinary economic emergency conditions anywhere in the United States.

I also take this opportunity, Mr. Chairman, to read just a portion of one letter of many which I have received from people in my district who want me to tell the Congress how deeply they appreciate the assistance given them by the Army engineers in the hour of their great peril. This is a portion of one of many letters and it comes from the Reverend Charles J. Oborny, of Verdigré, Nebr. Verdigré is in the heart of the disaster area, in Knox County.

The Army boys are beginning to leave us after having done a wonderful piece of work in this community and throughout the entire blizzard stricken area. Their deeds will never be forgotten; for what they have done to this community and elsewhere shall be passed on to the next generation as a grateful tribute to their inestimable services. They have saved many a life; not only human but also animal.

If it were not for the generous and prompt appropriations made by Congress and Senate, I just fear to think what would have happened to the Middle West. Each and every one in this community is very grateful to you for whatever you have done for them in the most critical situation of life and death.

I read this part of the letter, Mr. Chairman, to indicate to you that there is no reason for the criticism which has been heaped upon the Army engineers, who have done such excellent work in the blizzard area.

Mr. CURTIS. Mr. Chairman, will the gentleman yield?

Mr. STEFAN. I yield.

Mr. CURTIS. I have just returned from Nebraska, and while the area which I have the honor to represent is not in the territory that has been affected the most severely, I want to say that the people resented greatly the criticism made against those of the Army who came in to help the people. They have done a good job, a job that could have been performed by no one else.

This measure before us today should pass. I shall support it as well as other measures to assist those people who have suffered so much. We are apt to have some severe floods, and this Congress should take every step possible to lessen the effects of such floods.

Mr. HOPE. Mr. Chairman, I yield 5 minutes to the gentleman from North Dakota [Mr. BURDICK].

Mr. BURDICK. Mr. Chairman, I heard from both sides of the aisle here in this debate something about a soft loan. I have gone through every blizzard we ever had in the Northwest and

three dustbowl periods; I have gone through it all and lived at the end of the old Texas cattle trail, where the cattle started from Texas following the Civil War; I have been through it all. I suppose this Congress is doing all it can, but I do want the public to understand that we are not giving the stockmen of the West a windfall. If they get help they shall have to pay for it; they will have to go and make a loan and pay off the loan. Some newspaper accounts report that this Government is about to give the stockmen of the West a windfall or a gift, and that is absolutely untrue. We made those feed and seed loans here a few years ago, and I was one of those who supported the President in that attitude. I was very proud to do so. But, you know, a lot of those farmers lost their farms. They have gone to the towns to work by the day, some of them are on relief, yet this Government has an army of collectors still after those old people to collect the seed loans. I wonder if that is one of the soft loans you were talking about this morning?

At one time Congress forgave the Reconstruction Finance Corporation loans to the extent of \$100,000,000 on the floor of this House, and at that time I suggested we cancel some of these feed loans where the farmers had been chased off their farms and were living on relief. Do you know what happened to me? I pretty nearly got chased out of this Chamber because I offered such a proposition. I think it is a good gesture on the part of the Government to make this money available, and that is all you are doing. You are making a certain amount of money available for those people to borrow.

Mr. McCORMACK. Mr. Chairman, will the gentleman yield?

Mr. BURDICK. I yield to the gentleman from Massachusetts.

Mr. McCORMACK. I do not think the gentleman will ever be chased out of this Chamber by anyone who has a progressive mind, because he is one of the finest and one of the ablest and one of the most courageous, forward-looking legislators I have ever served with. I am proud of the opportunity for the Record to show the high regard I have for the gentleman personally and as a legislator. I may say that on many, many dark occasions when I was leading the battle on this side, the gentleman, without regard to his party affiliation, was fighting shoulder to shoulder with me because he was fighting for the interest of the people. The gentleman always fights for the interest of the people.

Mr. BURDICK. I thank the gentleman for those kind words. I hope he outlives me.

Mr. Chairman, I am in favor of this proposition. I would not oppose it. But I do want to say on behalf of the stockmen of my district that we are not asking for anything as a gift, and I do not want the public to read in the papers that the Congress has given the stockmen all this money. You are not giving them anything. We will take care to pay it back. You say yourself that you have collected 98.2 percent of all loans you made. You expect to collect this, do you not?

Mr. GRANGER. Mr. Chairman, will the gentleman yield?

Mr. BURDICK. I yield to the gentleman from Utah.

Mr. GRANGER. I certainly expect the United States to collect the loans. As has been said here a time or two, these loans will be made under the same conditions as existed in the original act, which contemplated that the loans would be paid back. There might be security given for the loans or part security, and in other cases the personal note of the individual farmer will be taken. As the gentleman has said, and I do not think it has been mentioned before, this money is available. It is not contemplated that any additional appropriation will be made.

Mr. BURDICK. I think that is right. I just want to correct any impression that this Congress is going to give \$44,000,000 away. Of course, that is not very much. There was a time when I did not vote in this House at all unless there was a billion dollars involved. I want the country to understand that we are making money available to these stockmen to borrow. We are not giving them anything.

The CHAIRMAN. The time of the gentleman from North Dakota has expired.

Mr. COOLEY. Mr. Chairman, I yield 3 minutes to the gentleman from Arizona [Mr. MURDOCK].

Mr. MURDOCK. Mr. Chairman, I listened with great interest to the speech of the gentleman from North Dakota, as I always listen to him with interest. I was also pleased with the remarks of our floor leader in regard to the gentleman's courage. If I were a good football player, as the gentleman himself was years ago, I would want him to run interference for me at any time I was carrying the ball. I too have noticed that the gentleman, regardless of party lines and the presence of this central aisle, has voted for the good of his people, and he has done so courageously. His reply to the floor leader that he hoped the gentleman from Massachusetts would outlive him reminds me of the famous words of Daniel Webster: "Late may you arrive in heaven."

This series of terrible storms has swept over the Mountain States and over the Great Plains region. It swept much farther south than many people realize, so that I know what I am talking about so far as damage done in my own particular State is concerned, which is ordinarily a State of sunshine. Sheep, cattle, and other livestock have been killed. I have listened to several questions being asked as to whether this relief bill applies to other calamities which cut down on agricultural production. It has been explained that it does. The citrus crop has been ruined.

I had a question put to me recently concerning not only sheep and cattle that perished in the snow and blizzards but that wildlife perished too. Deer, elk, and even buffalo died in those storms. I presume there is no provision made whereby we can restock the ranges with wildlife. I wish there were some way of doing that, as do the friends of wildlife out in my part of the country.

Mr. Chairman, I favor the pending legislation, and I will be glad to give it my full support.

The CHAIRMAN. The time of the gentleman from Arizona has expired.

Mr. HOPE. Mr. Chairman, I yield 5 minutes to the gentleman from Wyoming [Mr. BARRETT].

Mr. BARRETT of Wyoming. Mr. Chairman, we are now in the eighth week of the most devastating series of storms in recorded history of the Western States. The weather has been below zero most of the time, sometimes as much as 40 degrees below zero. We have had terrific winds which caused ground blizzards that closed the roads and trails as quickly as they were opened.

The statement has been made that in some areas the livestock loss has been 5 percent. That may be true. The information I have from the State of Wyoming is that the loss will be considerably in excess of that. I may say that 5 percent is our normal winter loss, and I cannot conceive that after a period of nearly 2 months of subzero weather, with 40 to 60 inches of snow, that the loss would be only a normal winter loss. My guess is that the loss will be between 15 and 20 percent.

You cannot tell what the loss is going to be today because the cattle and the sheep are in such a weakened condition that there will be continual losses up until the green grass comes. There will be a terrific cut in the calf crop and in the lamb crop, and we are going to lose many of the cattle and sheep that are alive today.

In my opinion, Mr. Chairman, this loan will be repaid in full by the stockmen of the West. The RACC loaned several million dollars in Wyoming some 20 years ago, and every dollar with interest was repaid.

It seems to me, Mr. Chairman, that the whole country has a stake in this piece of legislation. Out in the West, we are the people that produce the feeder stock that go into the feed lots of the Corn Belt where the cattle and the lambs are fattened to produce the meat for this country.

We have had terrific losses. Some of the people in my country have incurred so much expense that many of the loans are no longer bankable. The stockmen have had a great deal of difficulty in buying feed. The price of hay has gone up terrifically. It costs from \$45 to \$55 a ton laid down in town, and it is costing \$1 per ton per hour to get it delivered out to the ranches. Sometimes the cost of transportation from the railhead to the ranches is nearly as much as the feed costs in town. So you can see something about what the stockmen are up against.

Just to show you how terrific these storms have been let me tell you the Northwestern Railway, which serves my town, has had its trains in operation from the East on only three different days since January 1. The Union Pacific Railroad, whose main line runs through the southern part of Wyoming, and is, by the way, one of the great transcontinental railroads of the country, has been tied up on two different occasions for nearly one solid week. So this cer-

tainly is a disaster. I may say, Mr. Chairman, that I introduced House Joint Resolution 114, which was the first legislation of this character presented during this session of the Congress. The Secretary made his report on this bill, but the bill before us is practically the same as my own, and I am pleased to support it.

Mr. JENNINGS. Mr. Chairman, will the gentleman yield?

Mr. BARRETT of Wyoming. I yield to the distinguished gentleman from Tennessee.

Mr. JENNINGS. You are not only saving livestock, you are saving people, the farmers, and the livestock raisers.

Mr. BARRETT of Wyoming. That is true. The cattle and sheep that are involved in this area are the breeding stock. They are the livestock which produce the lambs and the calves which in the long run furnish much of the meat to the people of this country. But over and above that, Mr. Chairman, this bill will enable many of our people whose life savings have been jeopardized by the relentless storms of the last 2 months to obtain loans to restock their herds and to continue their operations. Let it be clearly understood they want loans and not grants. They will repay every dollar. I hope this bill passes.

Mr. COOLEY. Mr. Chairman, this measure has been rather fully discussed. Apparently it is urgently needed. The bill was unanimously reported by the House Committee on Agriculture, and I hope it will meet with the approval of the House.

The CHAIRMAN. The Clerk will read the bill for amendment.

The Clerk read as follows:

Be it enacted, etc., That, notwithstanding any other provisions of law, the Secretary of Agriculture may authorize the Regional Agricultural Credit Corporation of Washington, D. C., to enter any area or region where the forces of nature have caused an agricultural production disaster or because of other economic emergency and make loans or advances to farmers and stockmen in conformity with the provisions of section 201 (e) of the Emergency Relief and Construction Act of 1932, as amended (title 12, U. S. C. 1148); and the Corporation is authorized to utilize from the revolving fund created by section 84 of the Farm Credit Act of 1933 (12 U. S. C. 1148a) such sums as may be necessary to make such loans or advances, and not to exceed \$750,000 for administrative expenses of the Corporation and the Farm Credit Administration in connection with such loans and advances which amount may be combined for accounting purposes with the administrative expense items made available to the Corporation and the Farm Credit Administration under the heading "Regional Agricultural Credit Corporation of Washington, D. C.," in the Government Corporations Appropriation Act of 1949 (62 Stat. 1183).

Mr. EDWIN ARTHUR HALL. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. EDWIN ARTHUR HALL: On page 1, line 6, after the word "where", strike out the words "the forces of nature" and insert the words "storms, tornadoes, floods, drought, earthquakes, or other forces of nature."

Mr. EDWIN ARTHUR HALL. Mr. Chairman, first of all I want to say I am heartily in accord with this measure, because I think it should be approved

unanimously by the House. It certainly is much needed legislation and ought to be passed at this time. However, I, for one, am not satisfied with the definition contained herein "the forces of nature."

In 1940, during the Seventy-sixth Congress, I introduced what was then known as the Hall-Hay bill which provided loans for drought-stricken farmers in upstate New York and the Northeast with which to purchase hay and fodder. Yet, when we went down to the Department of Agriculture, we were unable to get a fair definition from Henry Wallace, then Secretary of Agriculture. Nobody in the Department of Agriculture wanted to recognize that drought was a necessary evil and should be dealt with.

Several of the gentlemen here have raised the point about drought. I, for one, want to emphasize the point that they have made. Certainly, we ought to have that included as a force of nature. I think we should take no chances. We ought to see that these various acts of nature are listed. It would be disastrous indeed if the Department of Agriculture, or any of its subdivisions did not recognize that drought or flood or any one of the other so-called disasters, which I have listed were not covered by the measure.

Mr. COOLEY. Mr. Chairman, will the gentleman yield?

Mr. EDWIN ARTHUR HALL. I yield.

Mr. COOLEY. Is the gentleman in doubt as to whether or not a drought might not create an economic emergency?

Mr. EDWIN ARTHUR HALL. The gentleman certainly is in doubt on the basis of the sad experience my section had from that disaster. The Department of Agriculture did not recognize it as an emergency in 1940. They might not again. Nothing in this bill says they have to. In line with what some of these gentlemen have said here today, they talk plenty about drought and they pointed out that drought may follow the serious storms which you have out in the Middle West.

Mr. COOLEY. May I point out there that floods may follow, but I have never heard the suggestion that drought might follow snowstorms.

Mr. EDWIN ARTHUR HALL. Floods will follow storms, and droughts will follow in their wake eventually.

Mr. COOLEY. That is true, but I think it is clearly the purpose of the bill to cover the situation that the gentleman has in mind. I wonder how you can strengthen the bill by enumerating some of the forces of nature and then by inference excluding other forces of nature.

Mr. EDWIN ARTHUR HALL. If the gentleman has any further forces of nature which he wishes to list, I certainly would have no opposition to that.

Mr. COOLEY. We have listed all of the forces of nature.

Mr. EDWIN ARTHUR HALL. I certainly want to see these included because tornadoes were mentioned here. Someone else suggested drought, and, again, someone referred to floods. It seems to me that these items ought to be listed. Certainly the Secretary of Agriculture in 1940 paid little attention to an equally

serious situation which we had in the Northeast, where I had asked the Government to lend money for hay which should have been brought into the dairy farms of our section to take care of the tremendous drought that they were then suffering. The losses resulting from the 1939-40 drought were staggering.

Mr. COOLEY. Mr. Chairman, will the gentleman yield further?

Mr. EDWIN ARTHUR HALL. I yield.

Mr. COOLEY. In line 6 we find these words "the forces of nature." Does not the gentleman understand that those four words embrace all of the forces of nature?

Mr. EDWIN ARTHUR HALL. Again my answer is, I might understand them, but it may not be convenient or suitable to the desires of some bureaucrat to understand them. We want to make sure they are included here. We have gone through droughts; we have gone through floods and tornadoes and earthquakes; there is no reason in the world why these disasters should not be listed specifically.

Mr. JENNINGS. Mr. Chairman, will the gentleman yield?

Mr. EDWIN ARTHUR HALL. I yield.

Mr. JENNINGS. Speaking as a lawyer, may I point out that it is a rule of construction that where you use a general term it is much more inclusive than where you enumerate specific items. And if, having enumerated the specific items, you fail to mention all the items, then it is deemed that those that have not been mentioned have been excluded. Therefore, you would weaken the bill and weaken the effect of it.

Mr. EDWIN ARTHUR HALL. To the contrary, I think it would strengthen it. These five disasters should be listed specifically so there can be no loophole to duck out on them. I hope that the committee will accept the amendment, because these words should certainly be included. I hope the amendment will be approved, because it will materially improve the bill and make it effective, which is what everybody wants.

Mr. COOLEY. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, I think the language in the bill is very comprehensive and all-embracing. It refers to all of the forces of nature. The gentleman's amendment is calculated to limit the scope of the bill rather than to broaden it. I agree with the statement made by the distinguished jurist from my neighboring State of Tennessee, because all lawyers know there is a rule which holds that the expression of certain things is ordinarily understood to exclude other things. To limit it in the manner proposed would be rather unfortunate, because it is the purpose of the legislation, as I understand it, to include disasters and economic emergencies resulting from any force of nature.

Mr. BURDICK. Mr. Chairman, will the gentleman yield?

Mr. COOLEY. I yield.

Mr. BURDICK. I think the gentleman's amendment would be clarified by putting after the words "the forces of nature" a shortage of hay in New York.

Mr. MURDOCK. Mr. Chairman, will the gentleman yield?

Mr. COOLEY. I yield.

Mr. MURDOCK. Is fire started by nature a force of nature?

Mr. COOLEY. I do not know. I leave it to the gentleman to decide, himself. I am not an expert on the forces of nature.

Mr. MURDOCK. If as the lawyers have said, the language of the amendment would be restrictive, then of course the Secretary of Agriculture could never consider fire started by natural forces as one of these calamities.

Mr. EDWIN ARTHUR HALL. Mr. Chairman, will the gentleman yield?

Mr. COOLEY. I yield to the gentleman.

Mr. EDWIN ARTHUR HALL. Does not the gentleman feel that listing these various disasters will strengthen the bill from the standpoint of future reference to the Department of Agriculture?

Mr. COOLEY. No, I do not think it will strengthen it. I think the legislative history and certainly this discussion clearly indicates to the officials in the Department what we intend by the passage of this legislation.

Mr. EDWIN ARTHUR HALL. Is it the gentleman's opinion that they will consider drought and tornado a force of nature?

Mr. COOLEY. If they are of such magnitude as to constitute a national disaster in the field of production, I would say certainly.

Mr. EDWIN ARTHUR HALL. Who, in the gentleman's opinion, is qualified to pass judgment on that?

Mr. COOLEY. The Secretary of Agriculture is charged with that responsibility.

Mr. EDWIN ARTHUR HALL. In my experience he did not pass favorable judgment on that.

Mr. COOLEY. I am sorry that the Secretary of Agriculture did not provide the gentleman with free freight on his hay.

Mr. HARRIS. Mr. Chairman, will the gentleman yield?

Mr. COOLEY. I yield.

Mr. HARRIS. Is not the word "emergency" here?

Mr. COOLEY. Yes; and "disaster."

Mr. HARRIS. So it would mean, regardless of the type of economic force that brings on the disaster.

Mr. COOLEY. Absolutely.

Mr. HARRIS. It is an emergency that brings it on regardless of the economic forces that bring it on; is not that true?

Mr. COOLEY. I think that is right.

Mr. CAVALCANTE. Mr. Chairman, will the gentleman yield?

Mr. COOLEY. I yield.

Mr. CAVALCANTE. Most of us who have had some legal training understand the meaning of the phrase "act of God" in law, but here in this bill the phrase "forces of nature" is used. Did the committee at the time they drafted this language have in mind what courts of law have decided as to the meaning of the phrase "act of God"? I can understand an act of God, but an act

brought on by a force of nature seems to be rather confusing.

Mr. COOLEY. I do not believe that it is confusing. I think that the forces of nature are controlled by some act of God.

The CHAIRMAN. The question is on the amendment offered by the gentleman from New York.

The amendment was rejected.

Mr. WADSWORTH. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. WADSWORTH: On page 1, line 7, after the word "disaster", strike out the remainder of the line; and on line 8 strike out the words "economic emergency" and insert "or an economic hardship arising from such disaster."

Mr. WADSWORTH. Mr. Chairman, I want it distinctly understood that I do not offer this amendment as the result of the slightest hostility to the objective sought by this bill. I am in complete sympathy with that objective. I realize the terrific damage that has been done and may still be done in the Mountain States, and may be done in any part of the Union at any time as the result of acts of nature.

The language which I desire to have clarified is found beginning in line 6:

That the Regional Agricultural Credit Corporation may enter any area or region where the forces of nature have caused an agricultural production disaster—

So far so good—

or because of other economic emergency.

My suggestion is that the phrase "other economic emergency" goes far beyond anything that might be conceived as a disaster as the result of a force of nature. It is going to be almost impossible it seems to me for the Secretary of Agriculture or the administrator of this program to define what is meant by economic emergency. Economic emergency may overtake a region, or indeed a whole nation, although its origin has nothing to do with a disaster coming from an act of nature; it may come from war; it may come from changes in interior economic conditions having nothing to do with weather, or floods, or blizzards, or earthquakes, as has been suggested. My suggestion is that this bill be intended as an emergency measure to take care of these people—and they certainly are entitled to it—and that the language be changed so as to read: "or an economic hardship arising from such disaster."

That in itself would have a broad application, as one or two members have already stated in this disaster that has overtaken the Mountain States. The extent of the disaster may not be evident tomorrow or next month, or even in April; it cannot be measured really in that livestock region until the calf crop or the lamb crop has made its appearance. The danger to these people is not only in the fact that they have lost a good many adult animals, cows and ewes, but that as a result of that loss and as a result of weakening of the survivors in the breeding herds or flocks the calf crop will be exceedingly small. There is your greatest potential disaster, and the disaster comes from an act of nature, and

its effect may be felt clear through next summer on into next autumn; because, unless we are very much mistaken the calf crop and the lamb crop are going to be very severely reduced, and that is the thing those people live on. So my amendment will not in any way prevent them from securing a loan to help tide themselves over the effect, the long-time effect, if you please, month after month, of these acts of nature; but it will make it clear that the Congress in passing this did not intend that it should apply to any economic emergency which might arise anywhere in the country at any time for other reasons completely different from these.

Mr. JENNINGS. Mr. Chairman, will the gentleman yield?

Mr. WADSWORTH. I yield.

Mr. JENNINGS. If this amendment is not adopted it might be that some of this money which is designed to help the people who are suffering out there, as a result of this terrible disaster, might be diverted to something else.

Mr. WADSWORTH. We cannot tell; it depends on who is to interpret the meaning of the phrase "economic emergency" how far he will stretch that meaning. What we are really after is to meet the situation created by disasters caused by acts of nature, and I think my amendment will accomplish that purpose.

The CHAIRMAN. The time of the gentleman from New York has expired.

Mr. COOLEY. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, I desire to call the gentleman's attention to the fact that the basic act under which the RACC's have been operating contains even broader authority than is now contemplated, and there has been no abuse of the broad authority given to the agency. In the law as it exists today we have the very words "economic emergency or production disaster."

The gentleman's amendment would have the effect of striking that language from the law. We only refer to it in the bill now under consideration. There having been no abuse in the past, it is hardly reasonable to suspect that there will be abuse in the future.

Mr. WADSWORTH. Mr. Chairman, will the gentleman yield?

Mr. COOLEY. I yield to the gentleman from New York.

Mr. WADSWORTH. May I remind the gentleman that the original law was passed in the midst of a Nation-wide depression. There was an economic emergency that had nothing to do with disasters caused by the forces of nature. Those laws were passed in the early thirties.

Mr. COOLEY. No. The original act was passed in 1932, but the language I refer to was added later.

Mr. WADSWORTH. It has been repeated since.

Mr. COOLEY. It was put in first in 1948 by the Eightieth Congress.

Mr. WADSWORTH. Not for the purpose of meeting an emergency such as is intended to meet by this bill.

Mr. COOLEY. It states here:

Provided, however, That the Secretary of Agriculture may authorize the Regional Agricultural Credit Corporation to enter any area or region when an economic emergency or production disaster has occurred in conformity with the provisions of section 201 (e) of the Emergency Relief and Construction Act of 1932.

Mr. WADSWORTH. It goes back to the act of 1932.

Mr. COOLEY. Yes.

Mr. WADSWORTH. Which was passed under completely different circumstances. Since then, may I remind the gentleman, and I ask his pardon for interrupting him, the Congress has enacted a series of acts to protect agriculture from economic emergencies, notably the farm-support program and others. We tried to protect agriculture as best we could from economic emergencies. This bill is intended merely to protect those who suffer from a disaster caused by the forces of nature, and nothing else.

Mr. COOLEY. I think there is no difference between the construction the gentleman places on it and the construction the committee places on it. The economic emergency we have in mind is an economic emergency with regard to production and resulting from some disaster following the forces of nature.

Mr. WADSWORTH. But you go beyond that.

Mr. COOLEY. We go beyond it to this extent, that here we have what we consider to be a disaster in a certain section of the country. When the snow subsides and the floodwaters roll down the valleys and a farmer's production is wiped out hundreds of miles from the snowstorm, he might have an economic emergency in the community in which he lives, and the Secretary, under this broad authority, can move in and make loans.

Mr. WADSWORTH. He can under my amendment also.

Mr. COOLEY. The economic emergency with which he might be dealing might have directly resulted from a national disaster up the river.

Mrs. DOUGLAS. Mr. Chairman, will the gentleman yield?

Mr. COOLEY. I yield to the gentleman from California.

Mrs. DOUGLAS. That would apply in California as well. We had a snowstorm which was not comparable to the snowstorm in the Mountain States, nevertheless in California the disaster will be very great. The trees are still in the ground, but we will not know what the snowstorm has done to our citrus crop until the fruit trees begin to bear fruit. There is a place that will completely fit into this bill.

Mr. COOLEY. But if the gentleman's amendment is adopted, it will be difficult for the Secretary to determine that a situation which will exist in 90 days or 6 months from now may be attributable to the disaster.

Mrs. DOUGLAS. Exactly, and we will not know in California until our trees bear fruit what the disaster has been.

Mr. COOLEY. Mr. Chairman, in conclusion, I think we should all take pride in the record of the RACC. I think it is a very remarkable record. They were authorized to make these high-risk, very hazardous loans, always in an emergency, and though they have loaned a tremendous amount of money the losses were actually negligible. We are faced with another emergency which does not affect my section of the country, yet it is a national emergency. This money is not going to be thrown to the four winds, it is not going to be given away. We are not contemplating any grant. It is only loans. Our information is to the effect that the credit facilities in this immediate section of the country are inadequate at the present time to meet the unprecedented demand.

The CHAIRMAN. The time of the gentleman from North Carolina has expired.

Mr. HERTER. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, the issue that has been raised by the amendment offered by the gentleman from New York was one that came up at the time this bill had a hearing before the Rules Committee. At that time there was a very real confusion of thought as to what the bill was actually intended for. The testimony was all directed toward the disasters that have been brought on by nature; but the moment this particular language was questioned, it was very obvious the intent of the Agriculture Committee wished to go far beyond the disasters caused by nature and to set up in this bill economic emergency relief measures entirely apart from the disasters brought on by nature. I think you can find it not only in the language that the gentleman from New York seeks to amend but also in the title of the bill where it is stated that this is a bill "to authorize the Regional Agricultural Credit Corporation of Washington, District of Columbia, to make certain disaster or emergency loans, and for other purposes."

In other words, this is a dual-purpose bill, and I think we ought to be very clear as to what the intent of the Committee on Agriculture is.

Mr. COOLEY. Mr. Chairman, will the gentleman yield?

Mr. HERTER. I yield to the gentleman from North Carolina.

Mr. COOLEY. I do not think there is any question about the fact that this is a dual-purpose bill. The thing I want to avoid and which I think the bill does avoid is the necessity of having the Secretary of Agriculture make a determination that the economic emergency with which he is dealing is related to a national disaster.

Mr. HERTER. Then very clearly the intent of this bill goes away beyond the testimony offered before the Rules Committee at the time the rule was requested.

The Regional Agricultural Credit Corporation, as the gentleman knows, is not staffed and is not functioning at the present time. It happens to have in reserve certain money, the \$44,000,000 to

which the gentleman referred, all of which it seems to me ought to be made available for disaster relief purposes and not for economic relief purposes. I have nothing but sympathy for taking care of the situation, as has been outlined here today, but I think you are going to have infinite confusion the minute anybody is eligible to apply for a loan under this act as you have it drafted because of an economic emergency. The economic emergency may have been brought about by his own mismanagement.

Mr. COOLEY. Oh, no.

Mr. HERTER. You have broadened the scope of the 1932 act here in the new language you put in.

Mr. COOLEY. I think the gentleman does not fully appreciate the breadth of this program. In other words, the Secretary is not to deal with an isolated farm or an isolated group of farmers in a particular small community, but it contemplates a wide area of such magnitude as to constitute a national disaster.

Mr. HERTER. I fully appreciate that. I am trying to help the gentleman make this amount of money go for that very purpose and not be scattered over an entirely different area which is not really intended by this bill.

Mr. COOLEY. I do not think it will be scattered over a wide area. The purpose of this bill is to lift the restrictions placed upon the RACC functions and finances this Congress recently placed upon it. We have the \$44,000,000. We are trying to make it all available.

Mr. HERTER. Clearly this particular lending agency, which was initially created to take care of the economic emergency in 1932, and very properly so, and which had a fine record for recovery of the loans made, was put out of commission because the economic mission for which it had been created no longer existed. For the sake of convenience, to take care of this disaster, it is being revived. It is a matter of convenience to revive it, the shortest way of taking care of this immediate disaster which is facing a great many stock raisers and others who through the forces of nature have been badly injured. What the gentleman is doing is also recreating it to take care of economic emergencies. That should not be the purpose for recreating it at the present time.

Mr. COOLEY. I thought the gentleman stated a moment ago that it was originally the purpose of the RACC to treat with an economic emergency rather than with a national disaster.

Mr. HERTER. That is quite true, but the economic emergency, the over-all national picture, having changed, this particular credit agency was no longer functioning. As the gentleman knows, it has no staff today. It should be recreated only for disaster purposes, and for that I have the utmost sympathy.

Mr. HOPE. Mr. Chairman, I move to strike out the last two words.

Mr. Chairman, I am reluctant to oppose any amendment that might be proposed by the gentleman from New York [Mr. WADSWORTH] or that might be supported by the gentleman from Massachusetts [Mr. HERTER], but it seems to me it would be unwise at this time to adopt this amendment. Of course, the effect

of it, if adopted, would be just the same as striking out all the language referring to the economic emergency, because without question any consequence which might flow from a storm or a flood in the way of an economic difficulty would be covered by this bill, if it were within a reasonable time thereafter and could be traced to that cause.

The gentleman from Massachusetts stated that if we leave the language in the bill which is there now we would be broadening the act of 1932. We cannot broaden the act of 1932 because it is just as broad already as the English language can make it.

Mr. HERTER. Mr. Chairman, will the gentleman yield for a correction there?

Mr. HOPE. Yes, I am certainly glad to be corrected.

Mr. HERTER. The gentleman said I stated it broadened the act. It does broaden the act of 1932 by bringing disaster relief into it. It does not broaden it from the point of view of the economic emergency for which the original act was intended.

Mr. HOPE. I am glad to have the gentleman's statement. However, I still believe that you could in no way broaden the 1932 act because it reads as follows:

Such corporations are authorized and empowered to make loans or advances to farmers and stockmen, the proceeds of which are to be used for an agricultural purpose (including crop production), or for the raising, breeding, fattening, or marketing of livestock.

I do not know how you could have language that would make the purpose of the loans any broader than that. So we are not broadening the original act but are providing now that where the Secretary of Agriculture finds that there is an area or region where the forces of nature have caused an agricultural production disaster or where, because of other economic emergency, loans or advances should be made, he may go into that region. He is still limited, of course, to going into regions where those situations exist, whereas under the original 1932 act he could have gone into every State of the Union and every county in every State and for any reason he saw fit.

The only reason this proposed legislation is necessary at all is that in the 1948 Department of Agriculture appropriation bill restrictions were put upon the authority of the Secretary of Agriculture to make loans under the provisions of the 1932 act. It was also provided in the Government Corporations Appropriation Act for 1949 that not more than \$25,000,000 should be available. What this bill does is to do away with those two restrictions. It makes the full \$44,000,000 that is now in the Treasury available, and it removes the restrictions upon loans which are contained in the appropriation bill for the Department of Agriculture. That is all that the language of the bill does in its present form.

It seems to me we are fully justified in leaving the language in the bill. While the primary purpose of the bill is to provide loans to meet situations caused by the forces of nature, there may be some economic situation which may arise in some region which should be relieved in this way.

I am afraid the gentleman from New York and the gentleman from Massachusetts are confusing this with price-support programs. There is nothing in this bill that would justify any measures in the way of price support. These are to be loans, not to stabilize prices but to enable farmers to continue in the business of farming, to continue in production. If the record we have had in the past as to loans of this type continues, loans made under this bill will be practically all repaid, because over 98 percent of all the loans, amounting to over \$400,000,000, which were made under the original 1932 act have been repaid.

These will not be conventional loans. They cannot be handled by regular financial institutions. That does not mean they will be poor loans however. It simply means that they may have to be made on different terms and for longer periods of time than would normally be the case. If they are made wisely, as I think they will be, they will not only enable farmers to keep in production but will be good loans from a repayment standpoint.

Mr. MORRIS. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, it seems to me this language should be left in the bill. I realize the suggestions of the gentleman from New York come with a great deal of force, ordinarily; but in this particular instance, I think this law ought to be broad enough and I believe it is in view of the present language being in the bill, to cover insect infestations. For instance, out in the West we sometimes have disasters caused by harmful insects covering great areas. There cannot be anything more disastrous than to have green bugs eat up the wheat. There cannot be anything more disastrous than to have boll weevils and boll worms eat up the cotton. Those are by way of illustration. There are many economic emergencies that might be caused other than by forces of nature.

Mr. WADSWORTH. Mr. Chairman, will the gentleman yield?

Mr. MORRIS. I yield.

Mr. WADSWORTH. Does not the gentleman believe that infestations of grasshoppers and these other insects would be a force of nature?

Mr. MORRIS. I am afraid they might not be so classified. Therefore, I think this clause ought to be left in because I think "forces of nature" might be confined by some one interpreting the term, to windstorms and floods, lightning and things of that kind, and as the gentleman on my right, some few minutes ago, suggested, acts of God, or things called acts of God, in law. I believe that such might alone be defined as forces of nature which would therefore leave out chinch bugs, boll weevils, green bugs, and some of these harmful insects. Quite often those insects out in the West become our greatest enemies and do more damage and destroy crops more completely than floods, windstorms and droughts.

Mr. COOLEY. Mr. Chairman, will the gentleman yield?

Mr. MORRIS. I yield.

Mr. COOLEY. May I point out to the gentleman that the language we are now dealing with came into the law for the

first time during the Eightieth Congress. Up until that time, as was pointed out by the gentleman from Kansas, the authority was just wide open and there was really no limitation placed upon it. But the language we are dealing with now was brought into the law in 1948 in the nature of a limitation. Certainly there is no reason for us to remove it now when it has been in the appropriation bill since that time. I hope the amendment offered by the gentleman from New York will be defeated.

Mr. MORRIS. I hope so too, Mr. Chairman. I believe it will be dangerous for us to eliminate this language, and I really believe that those who might need it most might be deprived of the loan set-up here, should the language be removed. I believe that many agricultural disasters might occur in this nation which could not be honestly and truly classified as having been caused by a force of nature where we would be happy to make loans and relief available, yet we would be powerless to do so should we remove this language.

Mr. HILL. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I had not intended to make any remarks on this bill nor on this particular amendment, but there are a few things which I believe we should emphasize before closing debate on this amendment.

First, we should consider why this bill is before us this afternoon. I know that several Members have given you the details concerning this most devastating and critical storm in all of the history of the West and Northwest. In the memory of no living person has such continued blizzards and subzero weather been recorded in the entire history of the West. It is a most critical catastrophe in any man's language.

In a little time I can give you a few of the details of that most terrible storm where people were within 300 yards of food and could not get to it; where they were close to water but it was impossible to find it. The storms did not stop as they usually do after 12 or 24 hours, but they continued. Storm followed storm, in regular cycles. It seems to me that on almost every week end, on Friday, Saturday, and Sunday, there was another blizzard reported in that territory. Certainly the farmer or the rancher or the producer of great flocks of sheep and cattle in this stricken area deserves attention from those who can assist him. Our hearts should go out to every one of them. Stock producers in this storm area find themselves in financial difficulties. Banks in some of these localities are loaning up to the limit—but additional financial assistance is needed. One producer testified before our committee that it took 10 cents per sheep a day for hay alone to feed a certain flock of sheep. If you have 3,000 to 10,000 head of sheep and are paying 10 cents per day to feed each sheep, I wonder how many days a Congressman's salary would supply the necessary feed. We must consider the type of farmers for whom we are asking this legislation. Here is a bill which says nothing about starting a man in the farming business. Here

is a bill which says nothing about a farmer investing or going into some type of farming wherein he can make a great deal of money for himself. No. Here is a bill which says the Government of the United States shall make a constructive financial effort to ease the present burden off their backs. And why? So that they may continue on in the business that they have been in all their lives. The flocks of sheep that they have husbanded for years from which comes 70 percent of the wool produced in the United States. The cattle producers in a half dozen states, all are critically affected by this great storm or series of storms.

Mr. Chairman, the cattle and sheep producers of this stricken area are not requesting a single dime as a hand out, not a single penny for feed. But the funds they need are for financial assistance that allows them to refinance the farming or stock-growing operation of ranches they now own—business hard hit by these continuous storms. This bill does exactly that.

The administrative features of this bill are the result of all the experience we have had in administering agricultural emergencies for the past 15 or 20 years. We have gotten away from the idea that we cannot put the responsibility on the Secretary of Agriculture. Let us remember this. Many Members on my side of the aisle have found fault because we could not put our finger on the person who was to blame for bad administrative policies. If this bill is not administered correctly we know immediately where to place the responsibility.

I am sure no one is going to talk about the need for the amendment offered by the gentleman from New York. We discussed that from every angle in our committee, and decided that we did not need it and did not want it. Let us not be arguing over the meaning of words. Let us leave the language in the bill as it is and pass the bill as our committee presented it to you this afternoon. There should not be a single vote in opposition to this legislation.

The CHAIRMAN. The time of the gentleman from Colorado has expired.

The question is on the amendment offered by the gentleman from New York.

The question was taken; and on a division (demanded by Mr. WADSWORTH) there were—ayes 15, noes 52.

So the amendment was rejected.

The CHAIRMAN. Are there further amendments? [After a pause.] There being no further amendments, under the rule the Committee rises.

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. HAYS of Arkansas, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (H. R. 2101) to authorize the Regional Agricultural Credit Corporation of Washington, D. C., to make certain disaster or emergency loans, and for other purposes, pursuant to House Resolution 110, he reported the same back to the House.

The SPEAKER. Under the rule the previous question is ordered.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

EXTENSION OF REMARKS

Mr. GATHINGS asked and was granted permission to extend his remarks in the Appendix of the RECORD and include a statement by Mr. G. L. Nellis.

Mrs. DOUGLAS asked and was granted permission to extend her remarks in the Appendix of the RECORD in five separate instances and in each to include extraneous matter.

Mr. McCARTHY asked and was given permission to extend his remarks in the Appendix of the RECORD and include the radio script written by Kerron Johnson, of St. Paul, Minn., one of the winners of the radio contest I Speak for Democracy.

Mr. SADOWSKI asked and was granted permission to extend his remarks in the Appendix of the RECORD in four separate instances and in each to include excerpts.

Mr. HOPE asked and was granted permission to extend his remarks in the Appendix of the RECORD and include a radio script written by George Morgan, Jr., of Hutchinson, Kans., one of the prize winning essays under the I Speak for Democracy contest conducted by the National Association of Broadcasters.

SPECIAL ORDER TRANSFERRED

Mr. RIVERS. Mr. Speaker, I ask unanimous consent that the special order I have for today may be transferred to Thursday next following such special orders as may have been entered heretofore for that day.

The SPEAKER. Is there objection to the request of the gentleman from South Carolina?

There was no objection.

SPECIAL ORDER GRANTED

Mr. HOLIFIELD. Mr. Speaker, I ask unanimous consent to address the House for 15 minutes on Thursday next following any special orders heretofore entered for that day.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

RECKLESS MINORITIES IN LATIN AMERICA

Mr. McCORMACK. Mr. Speaker, with the consent of those Members who have special orders for today, I ask unanimous consent to address the House at this time for 10 minutes.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

Mr. McCORMACK. Mr. Speaker, I read yesterday in the CONGRESSIONAL RECORD the remarks of colleagues about the difficulties which a certain minority of Latin-American countries are creating for all Latin-American countries in their expectations of help for development through point IV of President Truman's inaugural address.

I wish to go further and to be even more frank and vigorous concerning the unfortunate impression about all Latin-American investment that is being given

over our Commonwealth of Massachusetts and over New England by the treatment certain extremists in the Government of Guatemala are attempting to give the United Fruit Co. It is unfortunately true that in the minds of the American taxpayer and voter Latin-American countries are all one, and the reckless actions of a few can have an incalculable effect in raising doubts in the mind of the United States about assistance for all. What I am saying I say as a sincere follower of the good-neighbor policy of Franklin Delano Roosevelt, only to warn that point IV, like good-neighborliness, is, in the language of Secretary Acheson, a two-way street. It would be a pity if the persistent actions of an unthinking minority in any particular Latin-American country gave the American people an impression that good-neighbor relations with Latin America generally were not a two-way street and that Latin America generally was not a two-way street for the application of point IV.

In explaining point IV, Secretary of State Acheson recently made two observations which I hope my good Latin-American friends did not miss.

He said, speaking of the President:

The President pointed out that insofar as his program is successful and insofar as people in less developed areas acquire skills they may also create the conditions under which capital may flow into those countries. He did not say this was to be governmental capital and indeed if the proper conditions are created the reservoirs of private capital are very great indeed. He pointed out that these must be two-way operations. * * * There is in many places a failure to understand that unless the conditions are created by which investors may fairly put their money into that country then there is a great impediment to development. It is no solution to say, "Well, the private investors don't do it therefore government must." So he pointed out that it must be a two-way street. * * * The President pointed out that we are willing and anxious to work with every country that wishes to really enter into a cooperative system with the rest of the world to this end and with every country that wishes to help other countries to develop.

The New England investor has made a specialty of Latin America. The figures of the Department of Commerce show that over 90 percent of New England's foreign investment is in Latin America. A large portion of that is in the United Fruit Company, one of the largest companies operating out of Boston. On the day after the President's message the people of Boston were naturally proud when the New York Times of January 28th pointed out the United Fruit Company as a particularly good example of the export of American technological skill in the development of underdeveloped areas of the earth. The people of New England know something of the way in which this particular company has exported American agricultural and engineering skills of the highest order to create new agricultural land where there was nothing before but jungle, and to build crops and wages and livelihood where there could be none without American advanced technology. Thinking in terms of United Fruit Company made us see the feasibility of point IV in Latin

America in terms of our own experience and knowledge.

It is therefore with real regret that those of us in New England who would like to be good neighbors of Latin America in the application of point IV have heard of the regrettable and what seems to us foolish tactics of a minority of reckless agitators in the Guatemalan Government in trying to penalize this fine company for being American.

Apparently about a year ago this reckless minority managed to arrange a coup in Guatemala by which all companies were divided into two classes. The American United Fruit Co. was put in one class and all Guatemalan companies in the other class. Then a whole series of discriminatory conditions were imposed upon the operations of the American corporation because, representing American technical skill and success, it employed more workers and gave more livelihood than the Guatemalan corporations. The company responded that it was perfectly willing to abide by all laws of Guatemala that treated American companies in the same way as Guatemalan companies were treated. But it protested being singled out for discrimination.

The American State Department backed the company's protest to President Arevalo in Guatemala. President Arevalo, I understand, himself advised the United States ambassador that the law was obviously intentionally discriminatory; that he, the President, thought it was a machine gun aimed at the head of the United Fruit Co., and that he, the President, agreed that the discrimination should be removed, and that he would do everything possible to effect its removal. Those assurances I understand have been given the State Department many times in the last few months. But President Arevalo who is trying to do the right thing is not as strong in his own country as the vigorous Communist agitator Lombardo Toledano, who having fallen out of power in his own native country of Mexico, is now in Guatemala directing this attack on American companies in Guatemala.

I have no doubt that the better elements in the Guatemalan Government will prevail and that Guatemala will eventually again treat Americans doing business in Guatemala on the same non-discriminatory basis as we would treat Guatemalans doing business in the United States.

But I do wish to point out to our Latin-American friends that while this foolish extremist agitation goes on for only a temporary period, it can do permanent harm. A generous nation like the United States which has given more economic assistance to other nations than ever was previously dreamed of in the history of man, is always doing its own soul-searching whether its policy of generosity is practical wisdom—or whether its hand that feeds others will eventually be bitten. And to speak frankly it has been disappointed, by and large, in the results in the economic assistance it has already given Latin America. Under these circumstances the reckless actions of the group of Guatemalan agitators who are trying to prevent President Arevalo from

carrying out his stated intentions to do nondiscriminatory justice by American technical skill can have repercussions of distrust and suspicion beyond the immediate importance of the incident, for all Latin-American assistance.

By President Truman's own test that "we are willing and anxious to work with every country that wishes to really enter into a cooperative system with the rest of the world," the Government of Guatemala at its best has not been particularly cooperative. Guatemala has made particular difficulty for the United States in all the attempts of the United States to bring concord and economic cooperation between the nations of the Western Hemisphere. Members of the Guatemalan mission made difficulties at the Rio Conference. They also made difficulties in the Bogota Conference. They have undone a great deal of the efforts of better-intentioned Latin-American governments to bring a feeling of the feasibility of economic cooperation between the United States and its sister Republics to the South.

I am glad that some Members of the Congress have spoken out, and in a cautious degree said what is really on our minds. If Latin America is to expect benefits from point IV it will have, as Secretary of State Acheson implied, to set its house in order in the treatment of American technology which we have already sent to assist the development of that continent. It is the concern of other Latin-American nations even more than it is our concern that incidents like that going on in Guatemala today do not come to represent in the American mind a typical Latin-American situation proving that nothing Latin American really qualifies as a two-way street down which the benefits of point IV may move.

The SPEAKER. Under the previous order of the House, the gentleman from California [Mr. HOLIFIELD] is recognized for 25 minutes.

VETERAN HOUSING PROGRAM IS DEPENDENT ON REACTIVATION OF GI HOME LOANS

Mr. HOLIFIELD. Mr. Speaker, the Eightieth Congress failed to pass the legislation necessary for a successful housing program.

It is my sincere hope that the Eighty-first Congress will speedily correct this failure by enacting an over-all housing program which will serve the needs of all the people in the United States who desire to purchase a home or to find adequate rental facilities.

There are three main groups of people who need homes, and, in my opinion, each group requires special legislative approach to its specific problem.

The first two groups are the veteran and the nonveteran who are financially able to rent or buy a house. The third group is composed of both veterans and nonveterans whose annual income is too small to enable them to buy houses at today's inflated prices or to pay today's rents on rental units—rents which are enough to yield a fair return on the investment.

I want to reiterate what I said before—that the legislative approach to the needs

of the three groups requires special consideration. Also I feel certain that this Congress will enact the necessary legislation to meet every demand for shelter, and each demand presents a problem of its own.

In order to concentrate on one facet of the housing problem, I have introduced H. R. 1324, which is titled "Veterans' Home Loan Act of 1949." This bill was drafted primarily to center the attention of this Congress upon the fact that today it is almost impossible for a veteran to secure a home for himself under the terms of the Servicemen's Readjustment Act, commonly known as the GI bill of rights. H. R. 1324 provides the machinery for a veteran to buy a modest home under properly financed and adequately amortized monthly payments. It is important that this bill be passed, or that its principles be embodied in the administration's omnibus housing bill. It is the duty of this Congress to solve—and the people expect us to solve—the housing problem as quickly and expeditiously as possible.

Since I believe that the veteran's problem is of paramount interest, I shall therefore confine my remarks to H. R. 1324—its meaning, its objectives, and the conditions which, in my opinion, justify its consideration.

There are four major objectives which will be accomplished by this bill. They are:

First. The creation of a full secondary market in the Federal Government for all loans guaranteed under the GI Act. The Federal Government should back unequivocally any veteran's loan guaranteed by it through the Veterans' Administration at any time. It should put the stamp of approval on its guaranty of veterans' loans and thereby remove the fear of lending institutions that, if they engage in a full GI home lending activity, they would be caught short when they find it necessary to dispose of some of these loans in order to obtain adequate funds for a continuing lending operation. H. R. 1324 would increase the authorized funds of the Reconstruction Finance Corporation and its subsidiary, FNMA, by approximately a billion dollars. This is not an addition to the expenses of the Federal Government in carrying out its duty to veterans, because the net result will be that the RFC will actually make money on any loans that it purchases rather than take a loss.

Second. The bill establishes an interest rate on GI loans which would be acceptable to investors and savings holders under the present-day conditions of the home-loan market. The creation of a proper interest rate would arm the veteran with more than a mere hunting license when he approaches a lending institution for the loan benefits under the Servicemen's Readjustment Act. The rate should be adjusted immediately to 4½ percent if we are to attract private money into the veterans' building program.

I do not believe that a ceiling nor a floor should be set for the interest rate, as we all know that the money market fluctuates according to economic demands. To meet this situation this bill provides that the Administrator of Vet-

erans' Affairs be required to adjust, up or down, the interest rate to the extent necessary to keep in line with the prevailing mortgage interest rate. The veteran must not again be left out in the cold because of an unrealistic interest-rate limitation.

Third. H. R. 1324 extends the maximum term for the amortization of the loan from 25 to 30 years. This simple change will lower the monthly payments the veteran would have to make on his home, making a home possible to the veteran with lower income. It would also offset the increased monthly cost to the veteran resulting from an adjustment on the interest rate from 4 to 4½ percent.

Fourth. I believe that the elimination of second mortgages on GI loans guaranteed by the Veterans' Administration will lift from the veteran the burdensome yoke of dealing with two different lenders and as a result, paying the increased costs, an increase of 11.2 percent on the total interest payments, closing charges, and loss of gratuities guaranteed the veteran under the GI bill of rights.

In further support of these objectives, I want to present the following information.

I. FULL SECONDARY MARKET

The lack of a full secondary market in the Federal Government for loans insured under the Servicemen's Readjustment Act has been largely responsible for the very serious and alarming decline in the GI home loan program.

An analysis of the past and present volume of the veterans' home loans guaranteed under the GI bill of rights clearly indicates the necessity for restoring in the Federal Government a secondary market for this mortgage paper. During December 1948, home loans guaranteed by the VA were approximately one-half of those for December 1947, 1 year earlier. Of even greater significance is the fact that loans in December 1948 showed a decline of 63 percent from those guaranteed during the peak month of October 1946. It is to be noted also that in December 1948 loans dropped off 11 percent from the number in the previous month of November 1948.

The present law restricting the purchase of GI loans by FNMA limits such purchasers to only 50 percent of those loans made after April 30, 1948, and in an amount not exceeding \$10,000 each.

It is necessary to restore a full secondary market for VA home loans such as existed in the RFC up to June 30, 1947, when this authority to purchase such loans was abolished by the Eightieth Congress. VA records show that its home-loan guaranties commenced to drop after June 1947 and are continuing to do so at the present time.

Operations of FNMA since it was authorized by Congress, in 1948, to purchase loans of less than \$10,000 made since April 30, 1948, reveal that only a small percentage of the available funds in FNMA have gone into the purchase of such GI loans.

There need be no fear that all outstanding GI loans will be rushed into FNMA for purchase.

Its record of purchases of such loans by the Federal Government, even including the period when there were no limitations, shows that this just will not happen.

Out of approximately \$8,000,000,000 of GI loans that have been made, only \$152,000,000 have been purchases, representing only 1.9 percent of the total. Moreover, by comparison, out of \$15,000,000,000 of loans insured by the FHA, which the RFC was authorized to purchase, only \$710,000,000 have been bought, representing only 4.7 percent of the total.

Of even more significance is the fact that of the VA loans purchased by the RFC, they still hold \$141,500,000, representing 93 percent of those purchased.

Of FHA loans purchased, they still hold only \$189,000,000, representing only 26.6 percent of the total purchased.

Further, there should be coupled with this record the fact that original lenders are not able, on a sound basis, to empty their portfolios of such loans and still maintain full investment necessary to their earning requirements. Moreover, regardless of the volume of such loans purchased by the Federal Government, it must be kept in mind that the establishment of a full secondary market releases funds to increase the volume of operations of lenders in the home-building field, which will materially assist the veteran to acquire his own home. Also, it is only reasonable that the Federal Government should stand behind loans guaranteed by it, in order to assure necessary confidence in such loans.

As pointed out heretofore, it is not necessary to appropriate funds to be used for expenses in order to fulfill this obligation to a veteran. It is a matter of record that mortgage loan operations of the Federal Government have actually made money, rather than lost money. GI loans bear a rate of interest far above what it costs the Government for money.

At a time when production of high-priced homes is proceeding at a record pace, it is found that the veteran fails to get a break in acquiring his own home. Mr. T. B. King, Director, Loan Guaranty Service, Veterans' Administration, has told the House Committee on Veterans' Affairs:

The veteran today is not a very favored fellow in the immediate housing picture.

Recently, Mr. King has further summarized the situation as follows:

Another principal cause of difficulty in making VA home loans has been the lack of a secondary market. For more than a year prior to the passage of Public Law 864 last July, no Government market for GI loans was available. During this period, furthermore, the private secondary market for GI paper virtually disappeared. As a result, many lending institutions which had cooperated wholeheartedly in the GI-loan program found their portfolios full and could not make additional GI loans unless some kind of secondary market was available. It had been hoped that the new secondary market, established by the Congress in July and altered by Public Law 901 in August, would furnish additional incentive for lenders to make GI loans. But because of the limitations which the act itself features, it is questionable whether the new market, over the immediate future, is likely to exercise more than a moderately favorable effect in

making more GI loans available to veteran home buyers.

II. ADJUSTMENT OF INTEREST RATE

While approximately one and one-third million veterans of World War II have been able, under the Servicemen's Readjustment Act of 1944, to acquire their own homes, there are millions still seeking homes who find that the law as presently administered gives them no assistance. They are unable to find loans at the present maximum rate of 4 percent interest.

Thus, those home-ownership benefits promised the veteran by the Federal Government in 1944 are now practically denied to him.

The present unrealistic rate, coupled with the lack of a full Federal secondary market, are the two major obstacles to the veterans' getting a home loan under the benefits of the GI Act.

The interest rate must be adjusted immediately to bring it in line with the present mortgage-loan market.

Although the Administrator of Veterans' Affairs was given authority by the Congress to adjust this rate to a maximum of 4½ percent, he has, after several months' delay, seen fit to take action against such adjustment, and has given practically no facts based on the mortgage-loan market, on which he based his decision. It is, therefore, necessary that the Congress set a definite interest rate at this time and, for the future, require the Administrator to make quarter-annual surveys of the prevailing interest rate in the mortgage-loan market and take appropriate action with regard to adjusting the rate upward or downward. This must be done in order to make sure that the veteran will not be left out in the cold again because of an impractical interest rate, and in order to assure that if a lower interest rate becomes feasible the veteran will have the backing of the Federal Government toward getting such lower rate.

The reasons why loans at the present interest rate of 4 percent are not available are as follows: Most lending institutions have cooperated in making these loans, to the extent of some \$8,000,000,000, at the present rate. Now many of them, particularly the small ones, find that their portfolios are filled with loans at this presently low rate of interest and, therefore, they cannot absorb any more in the face of substantial changes in the rate of yield on investments and generally increased rates of interest. The over-all cost of attracting savings for the purpose of investment has greatly increased. In this connection, Mr. T. B. King, Director, Loan Guaranty Service of the Veterans' Administration, has stated:

Increasing numbers of lending institutions indicate their unwillingness to make GI loans at 4 percent. Yields on investments alternative to 4-percent mortgage loans, such as government and corporate bonds, have risen very noticeably since the summer of 1947 in spite of a slight and temporary decline during the early months of 1948. At the same time, lenders are cool toward the continuance of diluting net earnings by further commitments at the 4-percent rate in the case of reported increased costs of doing business together with the desire to maintain current interest or dividend rates. These develop-

ments, coupled with the opportunity of lenders to make FHA and conventional mortgage loans at interest rates of 4½ percent and higher, have made lending institutions more and more reluctant to invest in lower yield GI loans.

Increases in the rate of interest on various investments are due in large part to governmental financial policy.

The increase on United States Government Bonds from January 1946 to September 1948 was 10.9 percent, and on Treasury Bills, 190.7 percent.

Generally speaking, the percentage of increase in investment yield has increased far more than that which would result if the interest rate on GI home loans were adjusted from 4 to 4½ percent.

It is to be noted also that the present increase in mortgage rates generally prevailing will probably be long-range, with little hope that the increase will be temporary. There is no historical precedent for a sustained 4-percent rate on home loans. Money is a commodity, and its value will seek its own level in a competitive market where supply and demand control. To say the least, the veteran cannot enjoy the benefits under the GI Act if he is unable to obtain a loan, and he cannot get a VA guaranteed loan unless he is allowed to pay a rate which will attract savings funds. It is proven that he is unable to obtain such loans by referring to the figures given previously, showing the serious decline in the number of GI loans.

Granting that the adjustment of the interest rate to a more realistic level would put the veteran in a better position to get a home during this record building period, how would it affect him financially?

From a study sent out in August 1948 by General Carl R. Gray, Jr., Administrator of Veterans' Affairs, there is an answer to this question. The study said:

While it is true that an additional one-half of 1 percent interest would raise financing costs to the veteran by about \$2 a month in the average case, it is important to note that the GI loan will still cost the veteran less than will FHA-insured loans at 4½ percent interest under the National Housing Act. Because of the additional cost to the borrower of the one-half of 1 percent annual insurance premium payable by the borrower for FHA-insured loans, both veterans and nonveterans pay an equivalent of 5 percent for FHA financing.

Then, too, there are a number of other advantages of a GI loan, aside from a lower interest rate. The veteran, of course, receives a gratuity payment equal to 4 percent of the amount guaranteed. Other important advantages are (a) the veteran pays no premium or brokerage fee for the GI loan; this reduces closing costs in many cases by as much as \$100 below conventional and FHA loans, and (b) the veteran may make prepayments at any time without penalty. Other penalties and closing costs are scaled down or ruled out by regulations.

In other words, even at 4½ percent, GI loans would still offer lower financing costs to the veteran, and in addition, would continue to offer him a number of other advantages which a borrower usually does not enjoy under the terms of an FHA-insured or conventional mortgage loan.

Increasing the rate to 4½ percent would also have the healthy effect of curbing the steady upward trend in the number of second-mortgage loans guaranteed by VA in

conjunction with an FHA-insured first-mortgage loan, since lenders would be encouraged to make straight first-mortgage GI loans under section 501 of the GI bill. In recent months the proportion of VA-guaranteed second-mortgage loans has climbed to over 25 percent. This form of second mortgage financing, while attractive to lenders because both the FHA-insured first mortgage and the VA-guaranteed second mortgage are 100 percent insured and guaranteed, is costlier to the veteran than straight GI first mortgage because of the one-half percent premium payable on the FHA-insured first mortgage, and the other factors commented on above.

In a press release of January 3, 1949, General Gray pointed out that now 37 percent of all loans guaranteed by the VA carry the higher type interest rate on loans of the VA-FHA type, involving an interest rate of approximately 4.87 percent, thus forcing the veteran, even on this type of Government combination loan, to pay 0.37 percent more for his home loan than he would be required to pay on a straight GI loan at 4.5 percent. Figures from General Gray's own department show that 41 percent—not 37 percent of the veterans buying homes today are forced to buy FHA-VA instead of straight VA.

Back in the month of October 1946, the peak month of all home loans guaranteed by the VA, less than 2 percent of the total were of the higher interest rate bearing combination FHA-VA type. Now it is known that over 41 percent of the total veterans getting any home-loan benefits under the Servicemen's Readjustment Act are having to take on this high-cost combination type loan.

There is simply no sense in continuing to force the veteran who wants to buy his own home to pay this higher cost for his loan.

I personally believe that veterans who have become acquainted with the present-day situation accept the need for an adjustment in the interest rate, in order to give the veteran a fair break in getting himself a home. None of the major national veterans' organizations have taken action in their official national conventions, since the Administrator was given authority to adjust the interest rate, opposing his establishing the maximum rate at 4½ percent. On the other hand, one major organization, in its last national convention—1948—voted to accept the increased rate as necessary to the continued effective operation of the GI home-loan program.

The statement has been made frequently that veterans are priced out of the housing market. While every effort should be made to bring down the cost of homes to veterans, it is only natural that low-priced homes have disappeared, along with nickel bus rides. Nevertheless figures obtained from the Veterans' Administration show that the average price paid for a home during the year ending May 1948, under the Servicemen's Readjustment Act, was \$7,600. This situation is to be compared with our present-day volume employment and high increased earnings. Moreover, in order to provide more homes for veterans, it must be made easier for them to purchase homes, thus giving encouragement to the basic American desire to own a home.

Another proposal in this bill extends the term of the mortgage to 30 years. This would actually lower the monthly payments of the veteran to a figure less than that which he must now pay on a 25-year loan at 4 percent.

Every factor leads to the conclusion that the mortgage loan market now demands an adjustment in the interest rate, and provision should be made for the future for mandatory adjustment upward or downward, as prevailing interest rates require. This formula will insure an uninterrupted building program.

III. EXTENDING MAXIMUM TERM

It would be economically sound to extend the term of amortization of a GI loan from the present maximum of 25 years to a maximum of 30 years, thus reducing the monthly cost to the veteran. Precedent for the 30-year term for home mortgages is already established in the National Housing Act, and is therefore entirely consistent with Government policy already in effect. Moreover, a longer term mortgage has been supported and advocated by experts in the field of land economics for many years.

On an \$8,000 loan for 25 years, at 4½ percent, the monthly payments for principal and interest would be \$44.47; whereas on the same loan and at the same rate for a period of 30 years, the payments would be \$40.53, or a reduction in the monthly payments of \$3.94. While it is recognized that extension of the period of amortization increases the over-all cost of the loan to the veteran for the whole period, he nevertheless has a smaller monthly outlay for his shelter, and it is believed that such an extension of the term as here advocated is sound and economically efficient. With relation to point No. II, covering adjustment of the interest rate to 4½ percent, it is to be noted that a 25-year loan on an \$8,000 home at a rate of interest of 4 percent would cost the veteran \$42.23 whereas a 30-year loan in the same amount at 4½ percent would cost him \$40.53; actually amounting to a reduced monthly outlay of \$1.70. To give an illustration, the following table is submitted:

\$8,000 loan

Years	Interest	Monthly payment	Difference
25	4	\$42.23	+\$2.24
25	4½	44.47	
25	4	42.23	
25	4	38.19	-4.04
30	4	42.23	
30	4½	40.53	

The table indicates that it would be helpful to the veteran, from the point of view of his acquiring a home and reducing his monthly housing cost, to extend the term of the loan and enable him to take advantage of the GI Act and obtain his loan at 4½ percent.

Also, a 30-year loan with its lower monthly payments would make it possible for veterans with lower incomes to become home owners. Today the door is closed to many thousands of GI's who could establish credit if monthly payments were a few dollars lower.

There is already precedent for the 30-year term in the FHA-insured loan under

title II, and the VA-guaranteed loan should have the benefit of at least that much term.

IV. ELIMINATE SECOND MORTGAGES

It is unfortunate that in the Servicemen's Readjustment Act any provision was included which would result in the veteran's being required to carry a second mortgage in order to take advantage of the home-loan provisions of the GI Bill of Rights.

Today that result has come to pass.

It has been the policy of the Federal Government since 1934 to wipe out second mortgages as being uneconomical and burdensome to home buyers.

They have never been permitted in connection with FHA loans.

As shown by veteran administration reports, approximately 41 percent of all home loans presently being guaranteed by the VA are of the second-mortgage type. In the above-referred-to study, it is pointed out that—

Increasing the rate to 4½ percent would also have the healthy effect of curbing the steady upward trend in the number of second mortgage loans guaranteed by VA.

Presently the second mortgage type of combination VA-FHA loan costs the veteran 0.87 percent more than the straight GI single mortgage loan. Even at an interest rate of 4½ percent on the straight GI loan, it would cost the veteran 0.37 percent less than the second mortgage combination type. This condition should not be allowed to continue to exist.

The second mortgage has other disadvantages than just the increased interest cost. As pointed out by General Gray in his study cited above in part II:

The veteran pays no premium or brokerage fee for the GI loan; this reduces closing costs by as much as \$100 below conventional and FHA loans.

Some of the items which can cause the increased cost of FHA-VA combination are double recording and notarial fees, title policies, and double appraisals.

Another important penalty against the veteran is loss of more than half his gratuity payment by virtue of the second mortgage. For example, on an FHA-VA combination loan for purchase of an \$8,000 home, the VA guaranteed portion cannot exceed 20 percent of the total, or \$1,600. Under the GI Act the Veterans Administration makes a gratuity payment amounting to 4 percent of this, or \$64, which is applied to interest payment on the loan. However, on a straight VA guaranteed loan for the full \$8,000, the guaranteed portion is \$4,000 and the gratuity payment is \$160. Thus, the veteran loses \$96 right at the start, on the FHA-VA combination. This, plus the increased closing costs can burden the veteran with \$200 or more at the outset.

The irritating delays of the veteran having to deal with two Government agencies, two sets of regulations and double paperwork are hard to evaluate dollarwise. Even if they were, they should not be imposed on the veteran—they are unnecessary.

Support by major veterans' organizations for H. R. 1324, has been expressed to me by the State department commanders of the American Legion, Veterans of Foreign Wars, and the AMVETS

in my own State of California. Each of the department commanders has wired me as follows:

Rex F. Whittemore, department commander American Legion:

Vets in California are with you in your determined stand to reactivate the Veterans' Administration GI home loan. Please accept my sincere congratulations and keep punching. We are with you.

Alvin F. Kime, commander, department of California VFW:

Department of California Veterans of Foreign Wars as well as national organization supports increase in interest rate from 4 to 4½ percent on GI loans. Feel increase is necessary to interest private capital and create secondary money market. Your support appreciated.

J. J. Kehoe, State commander AMVETS:

Numerous California AMVETS wish you success in getting GI loans back in operation.

Our task is very clear. The veteran expects this Eighty-first Congress to make the GI bill of rights mean what it says in regard to housing. The nonveteran also expects this Eighty-first Congress to provide for housing which the Eightieth Congress denied the people. I have outlined the objectives of H. R. 1324, the Veterans' Home Loan Act of 1949, and again ask that this phase of housing be given speedy action.

Mr. Speaker, I ask unanimous consent to include as part of my remarks the bill H. R. 1324 at this point.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

(The matter referred to follows:)

H. R. 1324

A bill to expedite the borrowing of funds from established lending institutions, for the acquisition of homes, and for other purposes

Be it enacted, etc., That this act may be cited as the "Veterans' Home Loan Act of 1949."

PROVISION FOR ADEQUATE SECONDARY MARKET

SEC. 2. (a) The National Housing Act, as amended, is further amended by deleting from title III, section 301 (a) (1), the words "after April 30, 1948" and provisos (C) and (E) (2).

(b) Title III, section 301 (d), of the National Housing Act, as amended, is further amended to read "The association may have a capital stock of not to exceed \$30,000,000 and paid-in surplus of \$1,000,000, subscribed by the Reconstruction Finance Corporation."

(c) Title III, section 302, of the National Housing Act, as amended, is further amended by striking out therein the word "forty" and inserting in lieu thereof the word "sixty."

(d) Section 4 (c) of the Reconstruction Finance Corporation Act, as amended, is further amended by striking out \$2,000,000,000 and inserting in lieu thereof \$3,000,000,000.

(e) Section 4 (h) of the Reconstruction Finance Corporation Act, as amended, is hereby amended by striking out therein the figure "\$20,000,000" and inserting in lieu thereof the figure "\$30,000,000."

GENERAL PROVISIONS FOR LOANS

SEC. 3. Title II, section 500 (b), of the Servicemen's Readjustment Act of 1944, as amended, is further amended to read as follows:

"(b) Loans guaranteed under this title shall be payable under such terms and conditions as may be agreed upon by the parties

thereto, subject to the conditions and limitations of this title and the regulations issued pursuant to section 504: *Provided*, (1) That the liability under the guaranty within the limitations of this title shall decrease or increase pro rata with any decrease or increase of the amount of the unpaid portion of the obligation; (2) that such loans shall bear interest at such rate as may be agreed upon by the parties thereto, but not to exceed 4½ percent per annum; (3) that the maximum rate of interest shall be decreased or increased by the Administrator, on a basis of general applicability, to conform with the normal and reasonable requirements of the generally prevailing mortgage market; (4) that such loans shall be payable in full in not more than 30 years or, in the case of loans on farm realty, in not more than 40 years: *Provided further*, That (1) the maturity on a non-real-estate loan shall not exceed 10 years; (2) any loan for a term in excess of 5 years shall be amortized in accordance with established procedure; (3) any real-estate loan, other than for repairs, alterations, or improvements, shall be secured by a first lien on the realty, and a non-real-estate loan, except as to working or other capital, merchandise, good will and other intangible assets, shall be secured by personality to the extent legal and practicable: *And provided further*, That the Administrator shall maintain a continuous survey of the mortgage loan market and report quarter-annually to the President of the United States on his findings and determinations on the generally prevailing interest rates on loans for the acquisition of homes and the action he has taken, if any, to change the allowable rate of interest on home loans guaranteed under this act."

ABOLISHMENT OF SECOND MORTGAGES

SEC. 4. Title III of the Servicemen's Readjustment Act of 1944, as amended, is further amended by deleting in section 505 all of paragraph (a) and changing the paragraph "b)" to read "(a)."

The SPEAKER. Under the previous order of the House, the gentleman from Kentucky [Mr. PERKINS] is recognized for 20 minutes.

FEDERAL AID TO PUBLIC EDUCATION

Mr. PERKINS. Mr. Speaker, one of the most important issues before the Eighty-first Congress is that of Federal aid to public education.

Some persons would have us believe that this is a new issue—that the Congress is being called upon to enact a measure radically departing from established Federal policy. Such is not the case. The issue is really one of increasing Federal aid to education, since the Federal Government has been supplying such aid for over a hundred and fifty years. Altogether the Congress has enacted, by actual count, over a hundred and fifty laws providing for some form of aid to education.

About the time of its establishment the Federal Government assumed a share of the responsibility for financing education by providing for the endowment of the common schools with public lands, the income from which is now largely depleted but is still considerable in some of the States.

In later years the Federal Government has participated in the financing of education in several ways, including direct support of agricultural and vocational education in the public schools.

The broad issue before the Eighty-first Congress is whether the Federal Government should directly aid the States in

maintaining a fairly high minimum level of general education for the Nation's citizens, and in more nearly equalizing educational opportunity, and if so, how and to what extent.

EQUALIZED EDUCATIONAL OPPORTUNITIES INDISPENSABLE FOR WELFARE OF DEMOCRACY

The issue is of paramount importance because of the great need of this Nation for the enactment of such a proposal as that expressed in S. 246 and several other Federal aid bills which have been introduced in the House, including one of my own identical to S. 246. The Thomas bill, S. 246, would strengthen our public-school system upon which the welfare and progress of the Nation depend. I could hardly think of a more important purpose.

I do not need to discuss with you the general importance of promoting education. Evidences of its value to the individual and to the Nation are numerous and readily discernible. Let us be reminded, however, that in the 1920's H. G. Wells predicted that the fortunes of the world would depend upon the outcome of a race between catastrophe and education—democratic education. By 1939 it became clear that catastrophe had won the race. It cost the world 6 years of bitter warfare, 60,000,000 casualties, and hundreds of billions of dollars to give itself another chance to start the race all over again.

Within recent years the great power of education, democratic and totalitarian, has been dramatically demonstrated. It has become more evident than ever before that democratic government and a democratic way of life are possible only to a nation well educated under democratic principles. The public-school systems of this country provide for basic education under such principles; and the proposal expressed in S. 246 would give increased support to the financial structure supporting these systems without altering the principles under which they are administered.

You are undoubtedly aware that within recent years there has been a great hue and cry throughout the Nation that the financial structure supporting our public schools is inadequate. The general alarm has been justified by the facts that have caused it. Since 1941 over 300,000 of our best teachers have left the classrooms for better paying jobs in industry. Many of them have been replaced by teachers having substandard preparation. Over 100,000 teachers have been employed annually on emergency or substandard licenses. In many places throughout the Nation school buildings and equipment have deteriorated while enrollments have greatly increased.

The growing concern over the status of public elementary and secondary education has been evidenced by the appearance of numerous writings on the subject. Outstanding among such publications have been the reports and national surveys made by the Senate Committee on Labor and Public Welfare, the House Subcommittee on Education, of the Committee on Education and Labor, Eightieth Congress, the New York Times, and the Research Division of the National Education Association.

These studies made by responsible groups have pointed out such disturbing facts as these: The youth of our country are citizens of the entire Nation as well as of the States, but the Federal Government is not bearing its share of the responsibility for the education of its future citizens. Vast numbers of American children are receiving a substandard education or none at all. Educational inequalities are prevalent. Democracy cannot function, much less assume its heavy international responsibilities, unless all its citizens obtain the basic education necessary to intelligent participation in the life of the Nation.

A number of governmental advisory commissions, such as the National Advisory Committee on Education appointed in 1931 by President Hoover, and the Advisory Committee on Education appointed in 1936 by President Roosevelt, have recommended Federal participation in the financing of elementary and secondary education in general. Various nongovernmental advisory commissions, such as the National Conference on the Financing of Education, have likewise supported this cause. In several messages to the Eightieth Congress, President Truman asked enactment of Federal aid to elementary and secondary schools. In his first message to the Eighty-first Congress, on January 5, 1949, he urged prompt Federal aid to the States to help them maintain and operate their school systems. In his budget message of January 10, he reiterated this recommendation, declaring that—

It is therefore urgent that the Congress enact legislation to provide grants to the States in support of a basic minimum program of elementary and secondary education for all children and youth.

S. 246, introduced in the Senate with bipartisan support on January 6, 1949, would provide \$300,000,000 per year for this purpose. The bill is identical with the one passed by the Senate last year by a vote of 58 to 22. I do not have time to review all the arguments which might be brought in favor of this bill, but they are convincing. The wording of the bill belies the most outworn and refuted argument that has been brought against such legislation, namely, the argument that its enactment would lead to Federal control of education. Federal control of educational policies is explicitly prohibited in the bill, which is essentially an equalization measure, with the largest amounts of Federal funds apportioned to the neediest States.

STATES' RIGHTS GUARANTEED

The States may use the funds according to the provisions of State constitutions and State laws governing the use of State and local money for current operating purposes. It is right that these provisions should govern the use of the funds.

The proposal advanced by some persons that some of the Federal money should be made available specifically to aid in the support of private or sectarian schools suggests a radical departure from established Federal policy and raises questions of constitutionality. There is, however, no question of the constitutionality of S. 246 in its original form. The

Congress should first provide Federal aid to public schools according to the plan set forth in S. 246. The question as to whether the Federal Government should aid in the support of private and sectarian schools raises another issue which should be considered later on its own merits.

The proposal that the Federal Government provide funds for the construction of school buildings should be separately considered after further study in accordance with the recommendations of the President. It is apparent that a building program for schools is greatly needed, but at the same time we should enact legislation authorizing the construction of buildings on the basis of need. Likewise the national-health program for school children should be separately considered and all children share in the benefits therefrom. This subject is too important to permit substitute or supplemental legislation to be tacked onto S. 246, which could divert interest from the main issue. We must watch the enemies of Federal aid and not permit them to use this strategy to defeat the purpose of this bill.

An argument which has been advanced by some opponents of Federal aid to education in general is that, because the Federal Constitution does not contain a clause specifically providing for the administration of education, the Federal Government has no responsibility for the financing of that function. Such an argument, besides being illogical, shows a lack of knowledge of the history of public education in this country.

At the time of the framing of the Constitution of the United States in 1787, education was almost universally regarded as a matter of church control. However, in America there were many churches and no established state church. Consequently, no church could be recognized by the Constitution as in sole control of education. It would have been impossible to obtain agreement on a Constitution containing provisions for the administration of education by the Government. Even as late as 1825 publicly controlled nonsectarian schools were the distant hope of statesmen and reformers.

If a new Constitution had been written a hundred years later, undoubtedly education would have had a prominent place in it. By that time the vast majority of the population of the United States had accepted two very important ideas. One was the teaching of Thomas Jefferson that education for all the people is essential to the preservation and advancement of democracy. The other was the principle that public education should be under public rather than church control.

The tenth amendment to the Constitution, which became effective in 1791, provided that powers not delegated to the United States would be reserved to the States. Therefore, as tax-supported, nonsectarian schools gradually developed during the nineteenth century they came under control of the States. S. 246 prohibits any interference with this control.

A number of clauses in the Constitution have served as warrants and guides

for developing Federal relations to education. The most important provision affecting Federal aid to the States for education is contained in section B of article I which states that Congress shall have power to provide for the general welfare of the United States. Several decisions of the Supreme Court have held that Congress has power to promote the general welfare by the grant of financial aid to the States—including aid to education.

S. 246 proposes a departure from the more recently exercised policy of the Federal Government in giving aid to education in the States—namely the policy of aiding special kinds of education, such as vocational education in secondary schools. S. 246 proposes a return to the Federal policy represented by the early Federal land grants—namely, the policy of giving aid to public education in general rather than to some special kind of education or to education for some special groups or class of persons. It is Federal aid to the States for public education in general that has been recommended by such authoritative bodies as the National Advisory Committee on Education appointed by President Herbert Hoover, the Advisory Committee on Education appointed by President Roosevelt, and other respectable committees which have studied this program. President Truman has joined these distinguished groups in recommending that Federal aid to education take this form.

The advisory committees already named have pointed out that numerous noneducational Federal agencies have for many years administered educational programs. The administration of some of these programs in special fields has inevitably resulted in influences over certain educational policies in the States.

The Federal Government can never be expected in the future to ignore completely the educational needs of the Nation nor to refrain entirely from efforts to meet those needs. In order to reverse the trend toward Federal influence over educational policies in specific areas of education two steps should be taken. First, to the extent feasible, the educational programs administered by noneducational agencies should be transferred to the United States Office of Education as recommended by the Advisory Committee on Education in 1938. Second, additional Federal aid in this field should take the form of direct Federal aid to the States for education in general, as likewise recommended by the Advisory Committee and as proposed in S. 246. The United States Office of Education has had long experience in administering Federal grants in aid to the States, without any encroachment on State and local prerogatives. This Office has been wisely chosen to administer the aid proposed.

It seems to me that the basic reason for Federal participation in the financing of public elementary and secondary education is this: the Federal Government has a fundamental interest in, and is at least partly responsible for, the general education of the national citizenry.

The very preservation of our form of government depends upon an adequately educated population. Democracy can-

not function at home, much less carry its heavy international responsibilities, unless its citizens obtain the basic education to permit intelligent participation in the life of the Nation. A high level of political intelligence based upon adequate standards of education contributes most to the safety of democracy.

In case of war the victory has come to depend less and less upon the number of soldiers and more and more upon the capacities, and hence upon the education of the entire population. During World War II the Federal Government found it necessary to spend billions of dollars in educating not only military but also civilian personnel in practically all subject fields. If we continue to leave education almost entirely to the States we may not win the next war, because there will not be time to adequately organize an adequate national program of education.

The provision of adequate standards of education for all is becoming increasingly necessary to the national well-being. With technological advances and specialization in industry, this country has ceased to be composed of self-contained and relatively independent communities. The economic welfare and expansion of the country depend increasingly on trained youth drawn from every section.

The birth rate is highest in those areas of our country where economic conditions are poorest and educational levels the lowest. If we continue to draw each succeeding generation in disproportionately large numbers from those areas, and if we fail to make good the deficit by positive educational measures, the effect on our culture and our representative political institutions will be appalling.

Let not the Representatives of the richer States deceive themselves with the idea that they would contribute more and receive less benefit under S. 246 if it is enacted. The provision of adequate standards of education for all is becoming increasingly necessary to the national well-being. The high mobility of our population makes the educational deficiencies of any locality a national concern. Many thousands of our people migrate annually to wealthy industrial centers from relatively poor areas in which educational opportunities are inadequate.

Mere enlightened self-interest demands that the richer States protect their citizenship and economic security by promoting the level of education in the poorer communities from which they will inevitably draw a part of their population and upon which their prosperity otherwise largely depends.

The bestowing of citizenship upon Negroes created an undischarged Federal obligation to aid the States having large Negro populations. Negro slavery was permitted by the Constitution until it was abolished by the thirteenth amendment. Negroes were made citizens by the fourteenth amendment. But here the Federal Government left the matter. The whole burden of educating the Negroes for citizenship was left to the States having the largest Negro populations—the States whose white citizens had been rendered unable to maintain adequate schools for their own children, much less the Negroes. I do not mean

to reflect on any class, because we are all equal and deserve the same treatment. But I do wish to state that the Federal Government has an undischarged obligation to aid the States having large Negro populations with their educational systems.

The time at my disposal allows me to touch upon only a few of the reasons why a proposal such as that expressed in S. 246 should be enacted by this Congress. One of the reasons which impresses me most is that much of the wealth of some States is controlled by persons or corporations in others. This is true of my own State.

The enormous growth in corporate ownership of wealth has made it difficult for individual States to tax fairly the wealth and income produced within their own borders when much of that wealth and income is controlled and exploited by persons or organizations in other States. It has been estimated that as much as 70 cents out of every dollar produced in some States goes to the people of other States as the result of non-resident ownership.

These facts largely account for the lack of economic ability of some States to support public education. It is obviously a fair proposition that the Federal Government through its taxing power should return a part of the income produced in States thus affected to help pay for the education of their children who are also citizens of the Nation.

Because of these facts and for many other reasons too numerous for me to discuss at this time, the Congress should immediately provide for Federal aid to public elementary and secondary education as proposed in S. 246.

As Members of the Congress of the United States we must consider not only the problems of the people of our own States but also the problems of the Nation as a whole. As recently pointed out by the Honorable John R. Steelman, Assistant to the President of the United States:

To preserve democracy we must improve it . . . all of us are made aware every day that there are very few problems that are confined to the State governments alone. We must think of Federal, State, and local governments together, for together they make up our American system of government—a system of multiple governments for a single Nation.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted as follows:

To Mr. DOYLE, for 5 days, on account of official business.

To Mr. TAURIELLO (at the request of Mr. GORSKI of New York), for February 21, 1949, on account of official business.

To Mr. JONES of Missouri (at the request of Mr. McCORMACK), for an indefinite period, on account of serious illness of his father.

To Mr. POLK, for the remainder of this week, on account of official business.

To Mr. DEGRAFFENRIED (at the request of Mr. RAINS), for an indefinite period, on account of illness.

ENROLLED BILL SIGNED

Mrs. NORTON, from the Committee on House Administration, reported that that committee had examined and found truly enrolled a bill of the House of the following title, which was thereupon signed by the Speaker:

H. R. 2402. An act to extend the Office of the War Assets Administrator and the War Assets Administration from February 28, 1949, until June 30, 1949.

BILL PRESENTED TO THE PRESIDENT

Mrs. NORTON, from the Committee on House Administration, reported that that committee did on this day present to the President, for his approval, a bill of the House of the following title:

H. R. 2402. An act to extend the Office of the War Assets Administrator and the War Assets Administration from February 28, 1949, until June 30, 1949.

ADJOURNMENT

Mr. McCORMACK. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 4 o'clock and 38 minutes p. m.) the House adjourned until tomorrow, Tuesday, February 22, 1949, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

238. A communication from the President of the United States, transmitting a supplemental estimate of appropriation for the fiscal year 1950 in the amount of \$550,000 for the legislative branch, Government Printing Office, in the form of an amendment to the budget for said fiscal year (H. Doc. No. 77); to the Committee on Appropriations and ordered to be printed.

239. A communication from the President of the United States, transmitting supplemental estimates of appropriation in the amount of \$216,200 for the fiscal year 1950 for the Department of Labor, in the form of amendments to the budget for the said fiscal year (H. Doc. No. 78); to the Committee on Appropriations and ordered to be printed.

240. A letter from the Chairman, the Board of Public Welfare of the District of Columbia, transmitting a letter urging consideration of a request of the Board of Public Welfare transmitted to the Congress on February 3, 1949, on recommended legislation regarding the full use of the National Training School for Girls; to the Committee on the District of Columbia.

241. A letter from the Secretary of Defense, transmitting a draft of proposed legislation to amend the act entitled "An act to provide additional protection for owners of patents of the United States, and for other purposes," approved June 25, 1910, as amended, so as to protect the United States in certain patent suits; to the Committee on the Judiciary.

242. A letter from the Postmaster General, transmitting a draft of a bill relating to recurring postal deficits entitled "A bill to readjust postal rates"; to the Committee on Post Office and Civil Service.

243. A letter from the Secretary of the Army, transmitting a letter from the Chief of Engineers, United States Army, dated May 28, 1948, submitting a report, together with accompanying papers, on a preliminary examination of Friday Harbor, Wash., authorized by the River and Harbor Act approved on March 2, 1945; to the Committee on Public Works.

244. A letter from the Chairman, Commission on Organization of the Executive Branch of the Government, transmitting the Commission on Organization of the Executive Branch of the Government report on foreign affairs (H. Doc. No. 79); to the Committee on Foreign Affairs and ordered to be printed, with illustrations.

245. A letter from the Chairman, Commission on Organization of the Executive Branch of the Government, transmitting to the Congress a study prepared for the Commission's consideration of the organization of the Government for the conduct of foreign affairs; to the Committee on Foreign Affairs.

246. A letter from the Chairman, Commission on Organization of the Executive Branch of the Government, transmitting to the Congress in typescript appendix IV-A to the study on foreign affairs offered for the Commission's consideration by the task force as a supplement to their summary report on this subject; to the Committee on Foreign Affairs.

247. A letter from the Chairman, Commission on Organization of the Executive Branch of the Government, transmitting to the Congress in typescript appendix V to the study on foreign affairs offered for the Commission's consideration by the task force as a supplement to their summary report on this subject; to the Committee on Foreign Affairs.

248. A letter from the Chairman, Commission on Organization of the Executive Branch of the Government, transmitting to the Congress in typescript appendix VI-A-B-C-D to the study on foreign affairs offered for the Commission's consideration by the task force as a supplement to their summary report on this subject; to the Committee on Foreign Affairs.

249. A letter from the Chairman, Commission on Organization of the Executive Branch of the Government, transmitting to the Congress in typescript appendix VII-A-B-C to the study on foreign affairs offered for the Commission's consideration by the task force as a supplement to their summary report on this subject; to the Committee on Foreign Affairs.

250. A letter from the Chairman, Commission on Organization of the Executive Branch of the Government, transmitting to the Congress in typescript appendix VIII-A to the study on foreign affairs offered for the Commission's consideration by the task force as a supplement to their summary report on this subject; to the Committee on Foreign Affairs.

251. A letter from the Secretary of the Army, transmitting a letter from the Chief of Engineers, United States Army, dated May 28, 1948, submitting a report, together with accompanying papers, on a review of reports on Sag Harbor, N. Y., requested by resolution of the Committee on Rivers and Harbors, House of Representatives, adopted on March 19, 1946, and authorized by the River and Harbor Act approved July 24, 1946; to the Committee on Public Works.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mrs. NORTON: Committee on House Administration. House Resolution 90. Resolution for the relief of Mrs. Emile C. Read; with an amendment (Rept. No. 149). Referred to the House Calendar.

Mr. FEIGHAN: Committee on the Judiciary. House Joint Resolution 160. Joint resolution to authorize completion of the processing of the visa cases, and admission into the United States, of certain alien

fiancées and fiancés of members, or of former members, of the armed forces of the United States, as was provided in the so-called GI Fiancées Act (60 Stat. 339), as amended; without amendment (Rept. No. 150). Referred to the Committee of the Whole House on the State of the Union.

Mr. MORRISON: Committee on the Judiciary. H. R. 253. A bill to amend the act of June 25, 1938, relating to the appointment of postmasters under civil service; without amendment (Rept. No. 151). Referred to the Committee of the Whole House on the State of the Union.

REPORTS OF COMMITTEES ON PRIVATE BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. BYRNE of New York: Committee on the Judiciary. H. R. 729. A bill for the relief of John J. O'Neill; without amendment (Rept. No. 152). Referred to the Committee of the Whole House.

Mr. FEIGHAN: Committee on the Judiciary. H. R. 1878. A bill for the relief of Ben Luke Pond, Mrs. Shao Hung Pond, and their son David Yat Wei Pond, aged 11 years; with amendments (Rept. No. 153). Referred to the Committee of the Whole House.

Mr. FORAND: Committee on Post Office and Civil Service. H. R. 1599. A bill for the relief of Mrs. Mary T. Maloney Preece; without amendment (Rept. No. 154). Referred to the Committee of the Whole House.

Mr. BYRNE of New York: Committee on the Judiciary. H. R. 2268. A bill for the relief of Forest L. Weatherly; with an amendment (Rept. No. 155). Referred to the Committee of the Whole House.

Mr. BYRNE of New York: Committee on the Judiciary. H. R. 2704. A bill for the relief of Freda Wahler; without amendment (Rept. No. 156). Referred to the Committee of the Whole House.

Mr. BYRNE of New York: Committee on the Judiciary. H. R. 2708. A bill for the relief of the legal guardian of Joseph DeSouza, Jr.; without amendment (Rept. No. 157). Referred to the Committee of the Whole House.

PUBLIC BILLS AND RESOLUTIONS

Under clause 3 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. BARTLETT:

H. R. 2859. A bill to authorize the sale of public lands in Alaska; to the Committee on Public Lands.

By Mr. BECKWORTH:

H. R. 2860. A bill to authorize additional appropriations for forest-fire prevention and suppression in States in the southern region; to the Committee on Agriculture.

By Mr. CAVALCANTE:

H. R. 2861. A bill to amend title 18 of the United States Code to provide a penalty for failure to file certain statements in connection with charges of disloyalty against officers and employees of the United States; to the Committee on the Judiciary.

By Mr. EVINS:

H. R. 2862. A bill to amend part VIII of the Servicemen's Readjustment Act of 1944, as amended, by adding a new subparagraph (d) to paragraph (3); to the Committee on Veterans' Affairs.

By Mr. GAVIN:

H. R. 2863. A bill to authorize the construction of flood-control works in the Allegheny River Basin at Warren, Youngsville, Sheffield, Oil City, and Franklin, Pa.; to the Committee on Public Works.

By Mr. GREEN:

H. R. 2864. A bill to amend the Civil Service Retirement Act of May 29, 1930, to furnish officers and employees within the purview of such act with annual statements relating to their individual accounts in the civil-service retirement and disability fund; to the Committee on Post Office and Civil Service.

By Mr. HAVENNER:

H. R. 2865. A bill to permit certain persons who served in the armed forces of the United States or in the merchant marine in World War II to enter or remain in the United States for permanent residence; to the Committee on the Judiciary.

By Mr. HOPE:

H. R. 2866. A bill to establish a United States Air Academy; to the Committee on Armed Services.

By Mr. KEEFE:

H. R. 2867. A bill to provide relief from tax on income to be paid or permanently set aside or used exclusively for religious, charitable, or educational purposes; to the Committee on Ways and Means.

By Mr. LARCADE:

H. R. 2868. A bill to provide for the installation of equipment necessary to enable Members of the House of Representatives to hear, while in their offices, the proceedings in the Hall of the House of Representatives; to the Committee on House Administration.

By Mr. MANSFIELD:

H. R. 2869. A bill to authorize an appropriation in aid of a system of drainage and sanitation for the city of Polson, Mont.; to the Committee on Public Lands.

By Mr. McCORMACK (by request):

H. R. 2870. A bill to provide for the amendment of the Fair Labor Standards Act of 1938, and for other purposes; to the Committee on Education and Labor.

By Mr. MILLER of California:

H. R. 2871. A bill to provide for the payment by the United States of premiums on bonds of Government officers or employees; to the Committee on Expenditures in the Executive Departments.

By Mr. PATTEN:

H. R. 2872. A bill to protect scenic values along Oak Creek Canyon and certain tributaries thereof within the Coconino National Forest, Ariz.; to the Committee on Public Lands.

By Mr. PERKINS:

H. R. 2873. A bill to authorize the appropriation of funds to assist the States and Territories in financing a minimum foundation education program of public elementary and secondary schools, and in reducing the inequalities of educational opportunities through public elementary and secondary schools, for the general welfare, and for other purposes; to the Committee on Education and Labor.

By Mr. RAMSEY:

H. R. 2874. A bill to protect the rights and privileges of Federal employees, and for other purposes; to the Committee on Post Office and Civil Service.

H. R. 2875. A bill to provide equal treatment for all employees in the civilian service of the Government with respect to payment of salaries covering periods of separation from the service in the case of persons improperly removed or suspended from such service; to the Committee on Post Office and Civil Service.

By Mr. REDDEN:

H. R. 2876. A bill to effect an exchange of certain lands in the State of North Carolina between the United States and the eastern band of Cherokee Indians, and for other purposes; to the Committee on Public Lands.

By Mr. REGAN:

H. R. 2877. A bill to authorize the addition of certain lands to the Big Bend National Park in the State of Texas, and for other purposes; to the Committee on Public Lands.

By Mr. ROONEY:

H. R. 2878. A bill to exempt from induction or service under the Selective Service Act of 1948 certain persons who served in the merchant marine during World War II; to the Committee on Armed Services.

By Mr. STAGGERS:

H. R. 2879. A bill to provide a system of transcontinental superhighways; to the Committee on Public Works.

H. R. 2880. A bill to authorize the appropriation of funds to assist the States and Territories in financing a minimum foundation education program of public elementary and secondary schools, and in reducing the inequalities of educational opportunities through public elementary and secondary schools, for the general welfare, and for other purposes; to the Committee on Education and Labor.

By Mr. TOLLEFSON:

H. R. 2881. A bill to permit certain displaced persons under 16 years of age orphaned as a result of World War II to enter the United States as nonquota immigrants; to the Committee on the Judiciary.

H. R. 2882. A bill to relieve postmasters and other paying employees of the postal service from accountability for wrong payment of money orders in certain cases, and for other purposes; to the Committee on Post Office and Civil Service.

By Mr. WHITE of California:

H. R. 2883. A bill to provide price support for honey; to the Committee on Agriculture.

By Mr. WIER:

H. R. 2884. A bill to regulate oleomargarine, to repeal certain taxes relating to oleomargarine, and for other purposes; to the Committee on Agriculture.

By Mr. ABERNETHY:

H. R. 2885. A bill to provide for the removal of weeds from lands in the District of Columbia, and for other purposes; to the Committee on the District of Columbia.

H. R. 2886. A bill to provide for the killing of starlings in the District of Columbia; to the Committee on the District of Columbia.

By Mr. ABERNETHY (by request):

H. R. 2887. A bill to amend the Architects' Registration Act for the District of Columbia in order to safeguard life, health, and property, and to promote the public welfare; to the Committee on the District of Columbia.

By Mr. BROWN of Georgia:

H. R. 2888. A bill to authorize the issuance of a special postage stamp in honor of Thomas E. Watson; to the Committee on Post Office and Civil Service.

By Mr. BUCHANAN:

H. R. 2889. A bill to provide for the acquisition of land and preparation of plans for the remodeling and expansion of the main post office building in McKeesport, Allegheny County, Pa., and for other purposes; to the Committee on Public Works.

H. R. 2890. A bill to provide for acquisition of land and the construction of a post office in the Borough of West Mifflin, Allegheny County, Pa.; to the Committee on Public Works.

H. R. 2891. A bill to provide for acquisition of land and the construction of a post office at Wilmerding, Allegheny County, Pa.; to the Committee on Public Works.

By Mr. DOUGHTON:

H. R. 2892. A bill to amend the Social Security Act to enable States to establish more adequate public-welfare programs, and for other purposes; to the Committee on Ways and Means.

H. R. 2893. A bill to extend and improve the old-age and survivors insurance system, to add protection against disability, and for other purposes; to the Committee on Ways and Means.

By Mr. NORRELL:

H. R. 2894. A bill to amend and supplement the act of June 7, 1924 (43 Stat. 653); to the Committee on Agriculture.

By Mr. PACE:

H. R. 2895. A bill to authorize the sale of select base material at the Fort Benning Military Reservation to Muscogee County, State of Georgia, for use on county roads; to the Committee on Armed Services.

By Mr. RAINS:

H. R. 2896. A bill to amend the National Housing Act, as amended, in order to assure the availability of low-cost financing on liberal terms to World War II veterans who need homes; to the Committee on Banking and Currency.

H. R. 2897. A bill to authorize the making of grants and loans to the States to assist in providing adequate public elementary and secondary school facilities; to the Committee on Education and Labor.

By Mr. VAN ZANDT:

H. R. 2898. A bill to amend the Railroad Retirement Act of 1937 to provide for a 20-percent increase in the survivor annuities and insurance lump sums payable under such act; to the Committee on Interstate and Foreign Commerce.

By Mr. WHITE of Idaho:

H. R. 2899. A bill to regulate oleomargarine, to repeal certain taxes relating to oleomargarine, and for other purposes; to the Committee on Agriculture.

By Mr. PHILLIPS of California:

H. R. 2900. A bill to regulate oleomargarine, to repeal certain taxes relating to oleomargarine, and for other purposes; to the Committee on Agriculture.

By Mr. PRESTON:

H. R. 2901. A bill to provide for the issuance of a special postage stamp in honor of Dr. Charles H. Herty; to the Committee on Post Office and Civil Service.

By Mrs. ROGERS of Massachusetts (by request):

H. R. 2902. A bill to amend Public Law 704 to extend terminal-leave benefits to next of kin of those who died prior to separation from service, and for other purposes; to the Committee on Armed Services.

By Mr. TEAGUE:

H. R. 2903. A bill to reaffirm the intent of the Congress with respect to flight training for veterans; to the Committee on Veterans' Affairs.

By Mr. MACK of Washington:

H. R. 2904. A bill to regulate oleomargarine, to repeal certain taxes relating to oleomargarine, and for other purposes; to the Committee on Agriculture.

By Mr. BISHOP:

H. R. 2905. A bill to create the Subcommittee on the House Office Buildings of the Committee on House Administration to perform the duties of the House Office Building Commission and to make a study of the needs of Members of Congress and committees as to future office space; to the Committee on Rules.

By Mr. BRAMBLETT:

H. R. 2906. A bill to provide a 1 year's extension of time for the disposition of farm-labor camps to public or semipublic agencies or nonprofit associations of farmers; to the Committee on Agriculture.

By Mr. PHILBIN:

H. R. 2907. A bill to clarify and formulate a consistent and coordinated national policy with respect to transportation costs in interstate commerce; to strengthen the antitrust laws of the United States and to provide for their more effective enforcement; and to promote competition by permitting sellers to have access to distant markets; to the Committee on Interstate and Foreign Commerce.

By Mr. KENNEDY:

H. R. 2908. A bill to provide for the separation of subsidy from air-mail pay, and for

other purposes; to the Committee on Interstate and Foreign Commerce.

H. R. 2909. A bill to authorize the Postmaster General to make special arrangements for the transportation in air commerce at low rates of large shipments of air mail, where such arrangements will result in savings to the public or the postal service; to the Committee on Post Office and Civil Service.

H. R. 2910. A bill to provide for lower air-mail postage rates to the public; to the Committee on Post Office and Civil Service.

H. R. 2911. A bill to amend the Civil Aeronautics Act of 1938 to provide for the economic regulation of air carriers engaged in foreign air transportation, and for other purposes; to the Committee on Interstate and Foreign Commerce.

H. R. 2912. A bill to amend the Tariff Act of 1930 to exempt persons engaged in overseas or foreign air commerce from certain requirements, including the requirement as to the payment of overtime compensation to customs employees; to the Committee on Ways and Means.

H. R. 2913. A bill to repeal the taxes on transportation and communications; to the Committee on Ways and Means.

By Mr. BARING:

H. R. 2914. A bill to amend the Taylor Grazing Act, and for other purposes; to the Committee on Public Lands.

By Mr. HOBBS:

H. R. 2915. A bill to provide for the review of orders of the Federal Communications Commission under the Communications Act of 1934, as amended and of certain orders of the Secretary of Agriculture made under the Packers and Stockyards Act, 1921, as amended, and the Perishable Agricultural Commodities Act, 1930, as amended; to the Committee on the Judiciary.

H. R. 2916. A bill to provide for the review of certain orders of the Interstate Commerce Commission and the United States Maritime Commission and giving the United States courts of appeals jurisdiction on review to enjoin, set aside, or suspend such orders; to the Committee on the Judiciary.

By Mr. RANKIN (by request):

H. R. 2917. A bill to authorize the Administrator of Veterans' Affairs to furnish financial assistance to certain blind veterans in obtaining an automobile or other conveyances; to the Committee on Veterans' Affairs.

By Mr. WALTER:

H. J. Res. 170. Joint resolution designating June 14 of each year as Flag Day; to the Committee on the Judiciary.

By Mr. GWINN:

H. J. Res. 171. Joint resolution proposing an amendment to the Constitution of the United States relative to equal rights for men and women; to the Committee on the Judiciary.

By Mr. WHITE of Idaho:

H. J. Res. 172. Joint resolution to authorize the issuance of a special 3-cent postage stamp commemorative of the birth and birthplace in Franklin County, Va., of Booker T. Washington, who rose from slave cabin to Hall of Fame; to the Committee on Post Office and Civil Service.

By Mr. ROONEY:

H. Con. Res. 42. Concurrent resolution proposing the withdrawal of diplomatic recognition of the Government of Yugoslavia until such time as the policies and conduct of such Government with respect to the rights of the individual to life, liberty, and freedom of religious and political beliefs justify the resumption of relations; to the Committee on Foreign Affairs.

By Mr. COOLEY:

H. Res. 112. Resolution to authorize the Committee on Agriculture to make investi-

gations into any matter within its jurisdiction, and for other purposes; to the Committee on Rules.

By Mr. LESINSKI:

H. Res. 113. Resolution to provide funds for the Committee on Education and Labor; to the Committee on House Administration.

MEMORIALS

Under clause 3 of rule XXII, memorials were presented and referred, as follows:

By the SPEAKER: Memorial of the Legislature of the State of Maine, memorializing the President and the Congress of the United States to take whatever action is necessary to have the sentence imposed upon Josef Cardinal Mindszenty, of Hungary, removed; to the Committee on Foreign Affairs.

Also, memorial of the Legislature of the State of Oregon, memorializing the President and the Congress of the United States to further consider and make an appropriation in the amount of \$462,000 available to the United States Corps of Engineers for the completion of the authorized Depoe Bay improvement project; to the Committee on Appropriations.

Also, memorial of the Legislature of the State of Indiana, memorializing the President and the Congress of the United States to enact effective legislation providing for flood control in the Wabash River watershed area and tributaries thereto; to the Committee on Public Works.

Also, memorial of the Legislature of the State of Colorado, memorializing the President and the Congress of the United States to approve pending legislation concerning the right of domestic producers to sell gold in the markets of the world; to the Committee on Ways and Means.

Also, memorial of the Legislature of the State of Michigan memorializing the President and the Congress of the United States to pass the General Pulaski Memorial Day resolution now pending in Congress; to the Committee on the Judiciary.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred, as follows:

By Mr. CASE of South Dakota:

H. R. 2918. A bill to authorize and direct the Secretary of the Interior to issue to Joshua Standing Elk a patent in fee to certain land; to the Committee on Public Lands.

H. R. 2919. A bill authorizing the issuance of a patent in fee to Paul High Horse and Anna High Horse; to the Committee on Public Lands.

H. R. 2920. A bill authorizing the issuance of a patent in fee to George Swift Horse; to the Committee on Public Lands.

By Mr. DEANE:

H. R. 2921. A bill for the relief of Nicholas C. Kalcoutsakis; to the Committee on the Judiciary.

By Mr. HAVENNER:

H. R. 2922. A bill for the relief of the State Compensation Insurance Fund of California; to the Committee on the Judiciary.

By Mr. KEEFE:

H. R. 2923. A bill for the relief of Goettmann Printing Co.; to the Committee on the Judiciary.

H. R. 2924. A bill for the relief of Mrs. Helen J. Martin; to the Committee on the Judiciary.

H. R. 2925. A bill for the relief of Ida Hoheisel, executrix of the estate of John Hoheisel; to the Committee on the Judiciary.

SENATE

TUESDAY, FEBRUARY 22, 1949

(Legislative day of Monday, February 21, 1949)

The Senate met at 12 o'clock meridian, on the expiration of the recess.

The Chaplain, Rev. Frederick Brown Harris, D. D., offered the following prayer:

Our fathers' God and ours, we lift to Thee our grateful hearts for the national heritage that has come down to us, bought by other toils and other tears than our own. Help us this day with vivid vision to see them of old who feared Thy name and handed on to us the torch of the Nation's righteousness.

Especially do we give Thee thanks for the selfless service and the stainless record of that calm and courageous leader whose spirit and whose sword were Thy instruments in laying the foundation of our state. As we cherish his deeds and recall his farewell warning words, O God of Hosts, lest we forget, repeat in us the faith which shone on his illumined countenance lifted in an agony of prayer from crimsoned ground where patriots bled.

In these desperate days, drive us to our knees for the inner strength that steadied him whose name we reverence on his natal day. We ask it in the dear Redeemer's name. Amen.

THE JOURNAL

On request of Mr. LUCAS, and by unanimous consent, the reading of the Journal of the proceedings of Monday, February 21, 1949, was dispensed with, and the Journal was approved.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Swanson, one of its reading clerks, announced that the House had passed, without amendment, the following bills of the Senate:

S. 492. An act to amend the act approved June 29, 1948, entitled "An act to authorize the issuance of a stamp commemorative of the two hundredth anniversary of the founding of the city of Alexandria, Va."; and

S. 713. An act to amend Public Law 533 of the Eightieth Congress, authorizing the construction of a building for the General Accounting Office on square 518 in the District of Columbia.

The message also announced that the House had agreed to the amendment of the Senate to the joint resolution (H. J. Res. 84) to provide for the acquisition and operation of the Freedom Train by the Archivist of the United States, and for other purposes.

The message further announced that the House had passed the following bills, in which it requested the concurrence of the Senate:

H. R. 164. An act authorizing the Secretary of the Interior to convey certain lands to the Churntown Elementary School District, California;

H. R. 859. An act to clarify the overtime compensation provisions of the Fair Labor Standards Act of 1938, as amended, as ap-

plied in the longshore, stevedoring, building and construction industries;

H. R. 967. An act for the relief of the city of El Paso, Tex.;

H. R. 1401. An act relating to the disposition of certain recreational demonstration project lands by the State of Michigan to the Mount Hope Cemetery Association of Waterloo, Mich.;

H. R. 1509. An act for the relief of the city and county of San Francisco;

H. R. 1998. An act to amend the act entitled "An act to provide for the conveyance to Pinellas County, State of Florida, of certain public lands herein described," approved June 17, 1948 (Public Law 666, 80th Cong.), for the purpose of correcting a land description therein; and

H. R. 2101. An act to authorize the Regional Agricultural Credit Corporation of Washington, D. C., to make certain disaster or emergency loans, and for other purposes.

CALL OF THE ROLL

Mr. LUCAS. I suggest the absence of a quorum.

The VICE PRESIDENT. The clerk will call the roll.

The legislative clerk called the roll, and the following Senators answered to their names:

Aiken	Hoey	Millikin
Anderson	Holland	Morse
Bricker	Humphrey	Murray
Broughton	Hunt	Neely
Butler	Ives	O'Connor
Byrd	Johnson, Colo.	Pepper
Cain	Johnson, Tex.	Reed
Capehart	Johnston, S. C.	Robertson
Chapman	Kem	Russell
Connally	Kerr	Schoeppel
Cordon	Kilgore	Smith, Maine
Douglas	Knowland	Stennis
Downey	Langer	Taylor
Eaton	Lucas	Thomas, Okla.
Ellender	McCarran	Thomas, Utah
Ferguson	McCarthy	Thye
Frear	McClellan	Tydings
Fulbright	McFarland	Vandenberg
George	McKellar	Watkins
Gillette	McMahon	Wiley
Green	Magnuson	Williams
Gurney	Malone	Withers
Hayden	Martin	Young
Hendrickson	Maybank	
Hill	Miller	

Mr. LUCAS. I announce that the Senator from New Mexico [Mr. CHAVEZ] and the Senator from New York [Mr. WAGNER] are necessarily absent.

The Senator from Mississippi [Mr. EASTLAND], the Senator from Tennessee [Mr. KEFAUVER], the Senator from Louisiana [Mr. LONG], the Senator from Rhode Island [Mr. McGRATH], the Senator from Pennsylvania [Mr. MYERS], the Senator from Wyoming [Mr. O'MAHONEY], and the Senator from Alabama [Mr. SPARKMAN] are absent on public business.

Mr. KNOWLAND. I announce that the Senator from Connecticut [Mr. BALDWIN], the Senator from Maine [Mr. BREWSTER], the Senator from New Hampshire [Mr. BRIDGES], the Senator from Indiana [Mr. JENNER], the Senator from Massachusetts [Mr. SALTONSTALL], the Senator from New Jersey [Mr. SMITH] and the Senator from Nebraska [Mr. WHERRY] are necessarily absent.

The Senator from Vermont [Mr. FLANDERS], the Senator from Iowa [Mr. HICKENLOOPER], the Senator from Massachusetts [Mr. LODGE], the Senator from South Dakota [Mr. MUNDT], and the Senator from New Hampshire [Mr. TOBEY] are absent on official business.

H. R. 2926. A bill for the relief of George N. Weaver; to the Committee on the Judiciary.

By Mr. KLEIN:

H. R. 2927. A bill for the relief of Gyorgy Szilas, Anna Veronica Szilas, Sandor Czukur, and Jolan Spitzer Czukur; to the Committee on the Judiciary.

By Mr. McMILLAN of South Carolina:

H. R. 2928. A bill for the relief of Dr. Leon L. Konchegul; to the Committee on the Judiciary.

By Mr. O'SULLIVAN

H. R. 2929. A bill for the relief of Mrs. Dorothy Manious; to the Committee on the Judiciary.

By Mr. PERKINS:

H. R. 2930. A bill for the relief of Harry M. Caudill; to the Committee on the Judiciary.

By Mr. PRESTON:

H. R. 2931. A bill to provide for the conveyance by the United States to Frank C. Wilson of certain lands formerly owned by him; to the Committee on Public Lands.

By Mr. SADLAK:

H. R. 2932. A bill for the relief of Horace J. Fenton; to the Committee on the Judiciary.

By Mr. SCUDDER:

H. R. 2933. A bill for the relief of Charles F. Ellis; to the Committee on Post Office and Civil Service.

By Mr. SHORT:

H. R. 2934. A bill for the relief of Daniel B. Meador; to the Committee on the Judiciary.

By Mr. SMITH of Virginia:

H. R. 2935. A bill for the relief of Mrs. Benjamin Betts; to the Committee on the Judiciary.

By Mr. SOMERS:

H. R. 2936. A bill authorizing Henry W. Rodney, a special agent of the Compliance Enforcement Division of the War Assets Administration, to accept the decoration tendered him by the Chinese Government; to the Committee on Foreign Affairs.

By Mr. WERDEL:

H. R. 2937. A bill for the relief of Eugenio Maisterrena Barreneche; to the Committee on the Judiciary.

By Mr. MCKINNON:

H. J. Res. 173. Joint resolution to provide for the award of a gold medal to Frank Loesser; to the Committee on Armed Services.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

93. By Mr. GORSKI of New York: Petition of Councilman Pete Rybka, relative to rent control; to the Committee on Banking and Currency.

94. By Mr. SMITH of Wisconsin: Resolutions of the Wisconsin Retail Hardware Association, Inc., at their annual convention held at Milwaukee, Wis., February 3, 1949; to the Committee on Education and Labor.

95. By Mr. HESELTON: Resolutions of the General Court of Massachusetts, memorializing the Congress of the United States to use all possible means to secure the release of Cardinal Mindszenty, of the Roman Catholic faith, and Bishop Ordass, of the Lutheran faith; to the Committee on Foreign Affairs.

96. By Mrs. NORTON: Memorial of the New Jersey House of Assembly, memorializing the President of the United States and the Secretary of State to exercise every force at their command to bring about the release of Josef Cardinal Mindszenty and Bishop Lajos Ordass, who have been incarcerated by the Communist-controlled Government of Hungary; to the Committee on Foreign Affairs.